

Rioch  
rejoins  
Houston  
as No 2



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# THE INDEPENDENT

3,098

MONDAY 23 SEPTEMBER 1996

WEATHER: Cloudy with showers

40p (IR 45p)

## Voters would back Lib-Lab coalition

ANTHONY BEVINS  
Political Editor

The Liberal Democrats yesterday opened the political conference season in Brighton amid indications that a clear majority of voters wants the party to sustain Labour in office, if Tony Blair fails to win an outright Commons majority at the next election.

But the embarrassing question of party mergers and alliances immediately exposed the deep divisions in the Liberal Democrat ranks.

An ICM "State of the Nation" poll reveals today that, in the event of a hung Parliament with no overall Labour majority, 35 per cent of voters would want Labour to offer the Liberal Democrats Cabinet seats in a minority Blair Government.

A further 24 per cent would want Mr Blair to agree to a programme of legislation with the Liberal Democrats, in return for their Commons backing, according to the poll commissioned by the Rowntree Trust and the Daily Mirror.

As the party assembled for in Brighton yesterday, Paddy Ashdown desperately tried to avoid questions about the consequences of a hung Parliament. He told BBC television's *Breakfast with Frost* that it was "statistically unlikely", and what people really wanted to know was what the parties stood for.

But he then went out of his way to align himself with "the formidable figure" of Kenneth Clarke, the Chancellor of the Exchequer, and Mr Blair, whom he admitted for "the courage in which he has sought to bring his party up to date".

The political closeness between Mr

Ashdown and Mr Blair was then opened up by Alex Carlile, leader of the Welsh Liberal Democrats. He told BBC television's *On the Record*: "It is quite clear from the political atmosphere in the House of Commons, the atmosphere between the Blair office ... and the Ashdown office, that there are matters upon which there is a consensus and there is, above all, a willingness to develop that consensus if necessary."

"I think that the parties ... are bringing ideas together and that really has in the end an inevitable consequence for the parties slowly coming together."

Mr Carlile added that his party should also accept the offer of seats in a Labour-led government.

Embarrassed, if not annoyed, by the clear diversion from the conference's policy-punching agenda, Mr Ashdown said: "What matters is the policy, not the people. I have never been interested

in who sits where in Parliament."

But he did confirm his known view on consensus, saying: "If there are sensible areas where we can work together in order to put into practice what we believe, and in order to deliver what this country needs, we shall work together with them."

But Alan Beith, the party's deputy leader, scathingly dismissed Mr Carlile's views, adding that he was standing down at the next election. "I don't see the Labour Party and the Liberal Democrats coming together," he said. "We are distinct parties, with a distinct identity in policy and beliefs."

Underlining the antipathy to Labour in parts of the party, Sir David Steel, the former Liberal leader who helped sustain James Callaghan's Government in office during the Seventies, told a conference rally last night that Labour represented "No Danger", not "New Danger".

However, Sir David also echoed the results of today's poll when he said: "If there is to be - as I fervently hope - a change of government, I firmly believe that the quality of that government will depend crucially on the size, influence and power of the Liberal Democrats in the next Parliament."

The point of party friction is over the degree of co-operation and alliance. Backing Mr Beith's repudiation of Mr Carlile, Treasury spokesman Malcolm Bruce said: "We're not going to be seduced by a simple offer of some kind of share in office as a result of an accidental freak of an out-turn at a general election."

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Paddy Ashdown: Close to Blair

### QUICKLY

**Early birds doing bird?**  
More than a quarter of the inmates released early from prison after confusion over the length of their sentences have already re-offended, according to probation officers. **Page 3**

**Youngsters and the habit**  
Britain's teenagers are smoking more, experience the greatest ever exposure to drugs and have started to buy lottery tickets, new research shows. **Page 3**

**Holy crowds show faith**  
The heated church-state battles generated by the four-day visit to France of Pope John Paul II, ended yesterday with a victory for the church - in terms of crowd turn-out at least. **Page 11**

**Privatising air control**  
Privatisation of Britain's air traffic control network is back on the Government's agenda and an announcement could be made as early as next month's Tory party conference. **Page 2**

**SafetyNet catches porn**  
The Government will today try to assuage growing fears about child pornography on the Internet by lending its weight to an industry-backed initiative to both protect children and help to catch lawbreakers. **Page 7**

**Welfare still popular**  
A new survey of public attitudes towards the welfare state shows that there are high levels of support for an increase in pensions and other benefits - despite the efforts by *Reader's Digest* magazine, which commissioned the study, to present the results as evidence of a welfare "crisis". **Page 6**

## Power vacuum alarms Russia

PHIL REEVES  
Moscow

Russia was last night facing months of political limbo after one of President Boris Yeltsin's doctors said that his bypass operation may have to be postponed, or even cancelled, because his heart is too damaged for surgery.

The doctor chosen to lead the operation, Renat Akchurin, said last night that the 65-year-old President would have to wait up to two months to minimise the risk. Earlier he had suggested that surgery might be impossible.

The revelations swept like an electric shock through Russia's political establishment, which is well aware that, without the operation, the incapacitated Mr Yeltsin would be a president in little more than name only.

In a measure of the gravity of the situation, Russia's news agencies, the usual conduit for official information, maintained a Soviet-style silence over the president's health. Only cautious mentions were made on television until Mr Akchurin's appearance.

The president's team of surgeons will meet later this week to decide whether to proceed. Mr Yeltsin, who spent a second weekend in hospital, has previously acknowledged that doctors have told him he would have to slow down his life drastically if he does not have surgery. In effect, he would become a lame

duck, capable of working a couple of hours a day at most. His absence would give further momentum to the struggle for power among his inner circle, crushing hopes - felt strongly in the West - that his re-election in July would produce a period of stability.

Previous official attempts to depict Mr Yeltsin's heart bypass operation as routine were made to look silly when senior surgeons made clear that he faces a difficult operation with the risk of complications.

Earlier Mr Akchurin disclosed in a US television interview that the president must have had another heart attack, his third, in late June or early July - between the first and final rounds of the presidential election. It was hushed up to prevent it damaging his re-election chances.

In a separate interview, Mr Akchurin said that the operation might be cancelled because it was too risky, although he said the "most likely [outcome] is that the operation will be postponed. If the risks are high, no one will want to take the chance ... a surgeon does not jump out of a plane without a parachute."

If the operation goes ahead, Mr Yeltsin will hand over his powers to his prime minister, Viktor Chernomyrdin. If the president is incapacitated, or dies, then the Russian constitution states that the premier remains in charge until an election is held, within three months.



Toe-curling: German artist Silke Elisabeth Dettmers shows 'Shoes For Cinderella's Sister' at the open day for Carpenters Road Studios in East London. More than 90 artists have now based in what used to be a cosmetics factory. Photograph: Emma Boam

## Kiss-and-sell bishop 'is like a Judas'

MICHAEL STREETER

Serial sexual liaisons may be bad enough, but selling serial rights is beyond the pale.

The full force of the Roman Catholic Church appeared to descend on the runaway bishop yesterday after he sold the story of his love for divorcée Kathleen MacPhee to the *News of the World*.

Father Roderick Wright, who gave the interview to the newspaper for a "five-figure" sum, was likened to Judas, and a Government minister was even moved to public castigation.

At the end of two weeks of revelations about his two women and son, selling the story was the last straw.

At St Columba's Cathedral, Oban, in the bishop's former Diocese of Argyll and the Isles, the congregation was told by Father Sean MacAulay: "Like Christ was betrayed by someone in his group for 30 pieces of silver, perhaps we feel similarly betrayed at this moment in time."

Deacon Roddy Johnston said at least one parishioner had referred to the former bishop as "Judas".

Archbishop Keith O'Brien, acting as Apostolic Administrator of the Diocese, said he felt "betrayed" that Father Wright had accepted the "pot of gold".

Even Ann Widdecombe, the Catholic Home Office minister, weighed in, saying it was "not appropriate" for a cleric in his position to sell his story.

In the interview in yesterday's *News of the World*, Father Wright, 56, who was pictured with Ms MacPhee, over whom

he resigned, at their "hide-away" Lake District cottage, told how he had unsuccessfully fought against his love for her but had failed. He said that their relationship was not sexual but they now wanted to marry.

The former priest, who disappeared again yesterday from the cottage, also spoke of a "very guilty conscience" over his treatment of former girlfriend Joanna Whitley and their 15-year-old son, Kevin. "I apologise to my family and relations and other priests, who have been very deeply hurt by this."

However, his public statements in a newspaper renowned for its "kiss and tell" sex exclusives, angered those who wanted him to give a press conference.

Even his justification of giving his "modest" newspaper payment - rumoured to be around £15,000 - to Ms MacPhee's three children was described as "extraordinary".

Archbishop O'Brien said: "It seems to be extraordinary if the money is to go to that woman's [Ms MacPhee's] children when he has a son of 15."

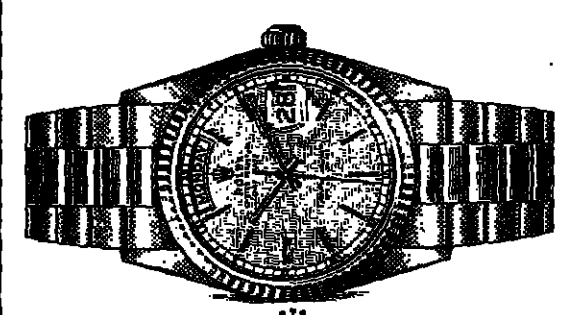
Explaining the level of anger over the interview, he said Diocesan members had grown increasingly upset as they learned how Father Wright had had an affair with Ms MacPhee, fathered a son, and "two-timed" Ms Whitley before taking "a pot of gold".

The Archbishop, urging Father Wright to come to the Church for counselling, also warned him over marrying a divorcée, thus losing the right to take Communion.

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WHERE  
TO ACQUIRE  
A TASTE  
FOR OYSTERS



ROLEX  
of Geneva

The seamless Oyster shell of a Rolex chronometer is hewn from a single block of stainless steel, 18ct. gold or platinum. Within it lies a self-winding movement that has taken over a year to create. With prices starting at £1,400\*, the Oyster you always promised yourself is available from the Harrods Watch Department on the Ground Floor. Not, we might add, from the Food Hall.

Harrods  
of London

Harrods, Knightsbridge SW1X 7XL. Telephone 0171-730 1234.  
\*Watch shown available in 18ct. yellow gold priced £10,490, white gold £11,140 and platinum £11,890.

## DoT wheels out its latest road-rage shock

CHRISTIAN WOLMAR  
Transport Correspondent

Four-wheeled electric cars, capable of nearly 30mph and which could be driven by anyone over 13 or motorists banned from driving, could soon be on British roads under plans put forward by transport ministers.

The drivers would not require a licence or insurance and would be able to use cycle lanes. The proposal, which would not require legislation

the use of electric bicycles, was slipped out without publicity last month in a Transport Department consultation paper.

Road-safety groups and anti-drink-drive campaigners are furious, as the proposals would allow disqualified drivers to get back on the road immediately after conviction.

In France, similar vehicles are already in use, mainly by drunk drivers, and teenagers who sometimes tamper with the engines to make them go faster than the 45kph (28mph) for

The DoT paper presents three options, the first of which specifies: "Fully powered without any need for human assistance for propulsion; by limited to the number of wheels or number of people carried; no limit on weight; maximum power 1kW (currently 0.25kW); maximum speed 25kph (15.5mph) or 45kph (28mph)."

The other two options would require stricter limits, including a 25kph maximum speed but would still permit four-wheelers and unlimited weight.

have been consulted on the issue were contacted by the *Independent*, which found most were unaware of the plan, because the consultation paper did not explain the implications.

Lynn Sloman, deputy director of Transport 2000, the public transport group, said: "We just put it in the recycling bin. We had no idea of the implications, which could be disastrous for pedestrians."

Dave Rogers, transport safety officer of the Royal Society for the Prevention of Accidents, said: "There could be a lot to turn up for a second more than usual."

dangers to pedestrians, as at 30mph almost half of people hit by vehicles are killed, while at 20mph very few are."

Maria Cape, spokeswoman for the Campaign against Drink Driving, said: "This is a very odd suggestion from a government which has spent a fortune on anti-drink-driving campaigns."

Barcodes and other technical details at the bottom of the page.

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ROAD UNDERAGE







## Drink, drugs, and gambling are on the increase. Louise Jury reports



Habit forming: About one in five children describe themselves as regular smokers by the time they reach their mid-teens. Nearly all wanted to give up Photograph: Pete Groult

# Affluent lifestyle leading children into temptation

Britain's teenagers are smoking more, buying more lottery tickets and experience the greatest ever exposure to drugs. According to the latest findings from the Schools Health Education Unit of Exeter University, nearly a third of 14 and 15-year-olds had smoked at least one cigarette in the last week, the highest figure recorded in the 10 years the unit has been monitoring young people.

By the age of 13, 40 per cent of the boys and half the girls had tried smoking

And the National Lottery is proving a new temptation to young people with a quarter of 14 and 15-year-olds boys and 16 per cent of 12 and 13-year-olds admitting spending cash on it in the last week. The survey of 24,000 children, aged 10 to 15 confirmed a lifestyle of increasing affluence - reflected in smoking, gambling and other leisure activities. There is increasing access to drugs with the numbers experimenting with some illegal substances rising fivefold between

1989 and last year. Three-quarters of children over the age of 11 now say they know a drug user.

Nearly a third of mid-teen boys and a quarter of girls have tried cannabis at least once. Around one in 12 has tried LSD or another hallucinogen. Six per cent of the 12 and 13-year-olds had tried cannabis.

By the age of 13, 40 per cent of boys and half the girls have tried smoking. Sixteen per cent of boys and 22 per cent of girls in the mid-teen bracket called themselves regular smokers. Nearly all wanted to give up.

A fifth of 14 and 15-year-old girls were able to buy cigarettes from a shop and 23 per cent of the boys purchased alcohol from an off-licence. Almost half the boys drank beer or lager during the previous week with 7 per cent drinking more than 21 units. Nine per cent of the girls drank 14 units or more, until recently the Government's maximum recommended limit.

Dr David Regis, one of the researchers, said: "Sometimes our figures are used to indulge in young-people bashing. But overall, youngsters are moderate. They're experimenting with things a bit sometimes, but getting on with their lives reasonably successfully and turning into the cheerful successful adults."

"The changes from last year are pretty marginal, but since 1986 there have been lots of changes, including some dramatic changes. The exposure to illegal drugs is the highest it ever been," Dr Regis said.

Although fewer teenagers now do part-time work than five years ago, perhaps reflecting a greater pressure from exams, a third of teenagers do some part-time work to pay for their indulgences with some earning more than £30 a week. The discrepancy found between the sexes in adult pay is reflected in gender variations even at this stage - older boys earn a typical £13.46 a week compared to £11.73 for girls. Twelve and 13-year-old boys make an average £8.86 a week and the girls £7.45.

During the last seven days, have you spent any of your own money on the following items? %

	12-13 Year olds		14-15 Year olds	
	B	G	B	G
Cinema	38.0	42.2	43.4	45.6
Music	16.1	10.0	14.2	7.7
Fast food (shop)	34.1	25.2	42.2	32.0
Alcohol (shop)	21.7	6.9	20.1	6.8
Private gambling	12.0	3.0	13.7	3.9
Computer games	18.3	4.2	13.4	1.9
Leisure/sports centre	24.0	15.3	23.1	12.5
National Lottery	15.9	10.1	24.4	15.6

Weight - which statement describes you best? %

	12-13 Year olds		14-15 Year olds	
	B	G	B	G
Would like to put on weight	13.1	6.7	18.3	6.9
Would like to lose weight	25.2	58.0	24.8	58.8
Happy as I am	57.7	41.4	56.9	34.2

While girls are obsessed with how they look, they dislike the sport or physical activity which might make a difference to the physique.

Boys are more sporty, but almost half of those in their mid-teens had spent time the previous evening playing games on the computer rather than the playing field. Watching television is the most popular evening activity.

Girls worry about their weight more than boys, with half wanting to shed a few pounds compared with a quarter of the boys.

They are also keener on healthy eating. But many simply miss meals instead of eating carefully.

Almost a fifth of 14 and 15-year-old schoolgirls have nothing at all for breakfast on a schoolday and a third have nothing to eat. Twelve per cent asked had eaten no lunch on their previous day at school.

Another change is the capacity to spend money. "Ownership and control of money has changed which has an effect on the whole area of growing-up skills."

"It opens up doors to opportunities and risks. Smoking or drinking and drugs are very expensive. Having more money provides an opportunity to engage in risky behaviour."

But not all the changes are negative. "My guess is that the hygiene levels among boys are the among the highest. They are taking more baths and washing behind the ears," he said.

The Exeter team has been collating the health-related statistics since 1986.

The data comes from health authorities and local education authorities across the country who buy the unit's ready-made questionnaires to investigate what is happening in their areas and assess what services need to be provided. More than 350,000 pupils have been questioned during that time.

Another 24-year-old former prisoner was due to enter a drug rehabilitation programme, but the place was not available when he was released early. Instead he was arrested for burglary in an attempt to raise money to buy drugs, and has forfeited his place on the scheme.

The probation service was given three hours notice of the release of another 20-year-old heroin addict. They tracked him down three days later when he appeared in court on several charges of shoplifting.

Other prisoners with records of serious offences have completely disappeared. A 27-year-old man released in Lancashire failed to turn up for a second meeting with probation officers after it emerged he had been in prison for kidnapping women, violent crimes against women and possessing fire-arms.

Bob Thomas, a spokesman for the Prison Service, denied yesterday that the former prisoners were reoffending at an unusually high rate, and insisted that the probation service should have been aware of all those who had been released. He said: "There may have been some who have slipped through the net, but all these prisoners were due to be released anyway. Unfortunately reoffending rates are high, and I simply do not accept that these figures are much more than usual."

## REBECCA FOWLER

A sex offender wandered into a shopping centre and came face to face with his victim on the same day he had been freed from jail with only 90 minutes notice, a study into the aftermath of last month's early release of 500 prisoners has discovered.

The National Association of Probation Officers (Napo) claims some of the most hardened criminals were set free without any supervision. It also says 29 per cent have already re-offended, compared to the usual rate of 8 per cent.

ates' courts across the country for burglary, theft and deception, since the Prison Service decided it had miscalculated how long they should spend behind bars. The releases were halted after Michael Howard, the Home Secretary, took legal advice.

The 32-year-old sex offender, also a drug user, was not due for release until Christmas. But the first the family of his victim knew of his early release was when they saw him in a shopping mall on the day he was set free. He is currently living in a cheap hotel where he faces eviction for not paying his bills.

due for release only on the condition he resided at an assigned hostel under strict supervision. Instead he was released set two and a half months early with nowhere to go.

Harry Fletcher, assistant general secretary of Napo, said: "This is a picture of complete chaos, and it will be the probation service and the public picking up the pieces. Clearly some of these prisoners are dangerous and they are under no sort of supervision."

"Somebody at least managed to get hold of the victim's family to tell them, but there was total panic. They started changing all the locks on their doors. A police officer was found for him, but it was too late, the damage had been done."

Napo studied the fate of 80 prisoners in 12 districts across Britain, who were released with only a few hours notice and a discharge cheque for £46.75. Many were set free by the time probation officers had closed for the bank holiday weekend, and the association estimates up to 50 per cent of unsupervised former inmates will reoffend.

One prisoner in his 40s ran up a hefty hotel bill in North Wales before being arrested for deception and being sent back to prison; another threw bricks through a police station out of frustration at failing to find a place to sleep.

Another 24-year-old former prisoner was due to enter a drug rehabilitation programme, but the place was not available when he was released early. Instead he was arrested for burglary in an attempt to raise money to buy drugs, and has forfeited his place on the scheme.

The probation service was given three hours notice of the release of another 20-year-old heroin addict. They tracked him down three days later when he appeared in court on several charges of shoplifting.

## DEAR MR TAXMAN

### I FEEL LEFT OUT

Dear Taxman I feel neglected, all my friends get tax returns to fill in but you have never sent me one. As I am now 32 years old is there something wrong with me? Ignored, COVENTRY.

TAXMAN SAYS Age has nothing to do with whether you get a tax return or not. We will send you a tax return if you are self-employed, a company director, or someone with more complex tax affairs. Most people don't get a tax return so you're certainly not alone. However, if you receive income that has not been taxed and you haven't been sent a tax return you must tell us. Call your Tax Office and talk to someone there if you are still worried. The telephone number is in the phone book under 'Inland Revenue'.

### DO I NEED AN ACCOUNTANT?

Dear Taxman To date, I have always enjoyed handling my tax affairs personally. I find it a very stimulating and interesting pastime. Will I now be forced to use an accountant and give up one of my few interests in life? Bored, DYED.

TAXMAN SAYS Not if you don't wish to. If you already deal with tax affairs yourself there is no reason to change. In fact, if you are organised and

keep proper records, the new system should make things easier. You may even find time for a more exciting hobby like collecting cheese labels.

AM I UP-TO-DATE?

Dear Taxman As soon as I buy clothes they immediately go out of style. I spend a fortune on an exotic holiday only to discover it was the place to go last year. I get rid of all my easy listening records, next day they are back in fashion. I am beginning to suspect that I may be just one of those people who is always behind the times. How can I be sure that I am up-to-date with my tax? Concerned, LEICESTER.

TAXMAN SAYS Simple. Have you filled in and sent off all the tax returns that you have received? Have you replied to any letters we have sent you? Have you paid all your tax bills? If the answer is 'yes' to all of these then don't worry, you're up-to-date. And if it's any help, white stilettos are due for a comeback.

NO MORE TAX

Dear Taxman Is Self Assessment just a coming way of wheedling more tax out of me? Paranoid, BARNES.

TAXMAN SAYS No. Self Assessment is not a new tax and does not affect the amount of tax you pay. It is just a clearer and more straightforward system for working out and paying tax.

How big is it?

Dear Taxman How big is the new Self Assessment tax form? I have a bad back and the doctor says I can't do any heavy lifting. Worried, BRADFORD.

TAXMAN SAYS From next April most people will get a basic, slim-line, eight-page tax return, along with any extra pages we think you may need. (If, for example, you are self-employed, there will be four extra pages to fill in.) You will get a full list of the supplementary pages available and if you think any apply to you, you'll have plenty of time to send off for them. Guidance notes to help you fill in your tax return and work out your own tax bill - if you want to - will be sent out with the forms.

Please send me more information about Self Assessment. Please tick a box if you are: Self-employed ☐ Employed ☐ A Pensioner ☐ Seeking work ☐

Name (Mr/Mrs/Miss/Ms) \_\_\_\_\_ Address \_\_\_\_\_ Postcode \_\_\_\_\_

PLEASE RETURN COUPON TO: SELF ASSESSMENT PO BOX 555 BRISTOL BS99 5UJ

## news

Conference season: As the party faithful gather for the last time before the election, **Anthony Bevis** looks at their hopes and fears

# Rallying the troops for the ultimate test



Talking point: Delegates trying to get permission to speak at last year's Labour conference in Brighton, from which the leadership emerged undefeated. Party managers are not so sure they will be able to repeat the feat in Blackpool next week

## Ashdown aims for positive impression

Liberal Democrats - Brighton: 22-26 September

Slogan: Take Courage for the Future

The big aim: To present a positive purpose to voting Liberal Democrat, by persuading people that they are distinct from the other two parties and have something different to offer.

There will be no encouragement of tactical voting; the message is that if the voters want a change in national politics, a vote for the Liberal Democrats is the surefire way of achieving that, because they would exert pressure on a Labour government to deliver its promises for constitutional change. However, ambivalence creeps in when senior Liberal Democrats are asked about Conservative candidates in marginal seats. Last week, one high-level source said: "If people can work out another way of getting rid of the Tories..." then they might well vote Labour?

Who are these people? The happy mythological days of open-toed sandals, with socks, and cagoules, worn indoors, are long gone; purged by the influx of Social Democrats in suits. Local government success, and the power it has brought, has created a much more professional activist base

Stage management: The Liberal Democrats are traditionally useless at this. Issues like drugs, gay lib and prostitution seem to

have the same magnetic appeal as they have for the tabloid newspapers that traditionally use such debates to depict the activists as a bunch of fruitcakes.

Disaster zones: The main agenda is as controlled as any party manager could dream of, with debates on issues like "Indicators of sustainable development"; "Conserving tomorrow"; "Investing in excellence"; and "Cleaning up the mess in politics." But there is space for two emergency motions where embarrassment might slip through. The media will also be hunting for diversionary stories about what role Mr Ashdown would play in a hung Parliament.

Policy initiatives: The Liberal Democrats are as good at recycling policy as they are at newsprint, glass and other waste. The debate on "Conserving tomorrow" includes reaffirmation of the pledge to phase in a carbon tax and a £1bn a year investment in energy conservation; on education, the party promises "early years" schooling for all three and four-year-olds whose parents want it, along with "work to reduce" all primary school classes to fewer than 30 pupils. The housing policy paper offers a mortgage benefit for those on low incomes, funded by a phase-out of mortgage interest tax relief.

Low life: All conferences have their junkies and parties, but the Liberal Democrat conference directory contains a cornucopia



Labour - Blackpool: 30 September-4 October

Slogan: New Labour, New Life for Britain

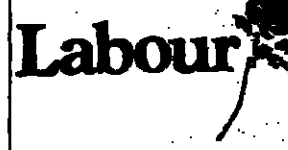
The big aim: To win endorsement for the draft manifesto, *New Labour, New Life for Britain*. Once the conference has agreed to the document, it will go out for one-member, one-vote blessing by the party membership. But the conference will be addressing a wider audience - the electorate at large - and much time will therefore be spent selling the five core pledges on education, crime, health, unemployment and the economy.

Who are these people? While the serried ranks of union barons retain all the fluidity of

quick-set concrete, there has been significant change in the power and personality of constituency delegates.

Last year, the constituencies accounted for only 30 per cent of conference voting strength. This year, an increase in membership has triggered an increase in constituency power, to give grass-roots delegates a 50-50 share of votes with the unions. But new rules have brought a noticeable influx of people who would not wish to spend one week every October attacking the treachery and betrayal of socialism by Labour leaders.

Stage management: Last year's conference was marked by the total absence of defeat for the leadership, but party sources are unsure of their ability to pull off



unions' pockets. Equally, conference defeats could be turned to show that the leadership was standing firm against spending commitments that might smack of tax increases.

But there is a risk - that splits could dominate the media coverage to the point at which Labour disunity turns voters off. Danger points include the possibility of a repudiation of the leadership decision to dump an uprating of pensions in line with earnings; a demand for a figure on the minimum wage; and a revolt against Gordon Brown's child benefit plans.

Policy initiatives: Labour is saturated with policy, and the greatest problem is refining it to a point where it becomes digestible - which is the purpose of the *New Life* document.

Low-life: Trade union bashes and regional party functions, like Welsh night, are very popular and therefore hard to gatecrash. Certainly, the beer flows in greater quantities at Labour conferences, though Liberal Democrats tend to stay up later.

Highlights: The big set-piece Blair speech will take place first thing on Tuesday afternoon, and the thing to watch out for is the way in which the party tries to damp down any sign of over-confidence. Party strategists and Mr Blair himself, do not believe election victory is by any means in the bag. But how does a man with a 20-point lead in the polls paint himself as underdog? The way in which Mr Blair tempers his natural enthusiasm with modesty should be a trick worth watching out for.

## Blair sets sights on wider audience

## Tories buoyed by turning economic tide

Conservatives - Bournemouth: 8-11 October

Slogan: Life is better with the Conservatives

The big aim: To come out of the conference season with a Labour lead that is slipping. The party command will drive home the message that after more than 17 years of Tory government, things are beginning to get better, with rising living standards, and that a change to Labour could ruin it. Having established that negative foundation, ministers will start to bolt on the added value - the vision for a fifth term of government.

Who are these people? If Labour delegates, like the party leadership, have moved to the

centre of political life, Conservative representatives have become more right wing. The fringe meetings of men like Michael Portillo, John Redwood and Norman Tebbit show a fervour that is absent from the other two parties; it is a fascinating sight, often more interesting than the conference itself. While there have always been right-wing extremists at conference - the Right became mainstream, even legitimate, under Margaret Thatcher and that has survived her departure.

Stage management: The Tories are past-masters at this, but that has never meant perfection. Home secretaries have been baited beyond endurance by the sado-masochist wing, party chairmen have been lambasted



again dominates the extra-curricular activities, and the party's very real divisions on this issue appear to be more pervasive and more damaging than anything any other party can offer.

Policy initiatives: For this reason alone, it is imperative that the party creates diversionary publicity. While party bosses will want to keep their surprises up their sleeves, they have already floated the notion of the Prime Minister's support for the "hard-working class", which seems to mean that those on benefit should work for it, and youngsters who offend should be subjected to curfews. Apparently, these ideas are to be packaged as the sort of "non-nonsense values" that key working-class voters will share.

Low life: The balls, whether organised by the Young Conservatives or the Federation of Conservative Students, who express their libertarian feelings with the kind of exhibitionism that would attract a life sentence if Michael Howard had his way and if the perpetrators were not just high-spirited Tories letting off a bit of steam.

Highlights: The appearance of Baroness Thatcher to bestow her blessing on John Major, and the leader's speech. Not so much the speech itself, but the US-style build-up - with distributed flags and bunting, hyped-up videos and all the accoutrements of a mass hysteria - that then tends to get flattened by the weight of words and the leaden manner of delivery.

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# 'Is it too much to ask that children with haemophilia get the best and safest treatment?'



Best hope: the recombinant clotting agent would help Thomas, Timothy and Matthew Hartley Photograph: Phil Noble

"After HIV and Hepatitis C, I thought we'd never have to do it again, but this is a never-ending battle. Is it too much to ask that kids with haemophilia get the best and safest treatment?" asks Lynda Quarry.

Mrs Quarry, from Mossley, near Manchester, will today lead a protest march of parents and children to Pendlebury Hospital, part of the Royal Manchester Children's Hospital. Their homemade placards and banners will proclaim their anger and frustration at the reluctance of the National Health Service to pay for what experts agree is the treatment of choice for all haemophiliacs, but which is particularly appropriate for children.

It is the latest development in an increasingly bitter battle that has united doctors and parents nationally. They are demanding that every health authority or trust pays for the genetically-engineered version of Factor VIII (recombinant Factor VIII), the clotting agent haemophiliacs depend on for their survival.

The recombinant version poses less risk of viral contamination than the human plasma-derived Factor VIII, which is about half the cost and accounts for more than 90 per cent of the clotting agents used by the NHS. Human blood products are normally exempt from VAT but a decision by Customs and Excise to impose 17.5 per cent VAT on the recombinant form has, according to Dr Paul Giangrande, director of the Oxford Haemophilia Centre, put it even further out of reach of the patients.

Following inquiries by *The Independent* last week, Dr Giangrande has been told that the Wiltshire Health Authority is now prepared to pay for recombinant Factor VIII for two young haemophilic brothers. The Royal Free Hospital in London has announced that it will give all haemophilic boys in its care the recombinant

## Will costs bar the use of a safer clotting agent for child haemophiliacs? Liz Hunt and Susan Emmett report

form and says it expects health authorities to "cooperate" in funding the treatment.

Pressure is growing for other health authorities and hospitals to follow suit and comply with the recommendation of the UK Haemophilia Centre Directors' Association, to be published next month. This document advises that the

**'I inject each of my sons with Factor III ... it's hard to do that when you don't have confidence in what you put into their veins'**

recombinant Factor VIII should be used for all haemophiliacs.

Out of 11 hospitals across the country contacted by *The Independent*, six provided only plasma-derived Factor VIII for the treatment of both child and adult haemophiliacs.

The other five hospitals gave recombinant Factor VIII for a limited number of children - those who have previously not received any clotting treatment. Children and adults who had already received plasma-derived factor VIII, were carrying on with the same treatment.

Haemophiliacs cost the NHS about £40m to treat annually, and some doctors say the bill would double if recombinant Factor VIII was provided for all. Angela Raffle, a consultant in public health medicine for the Avon Health Authority, says a

child with serious haemophilia receiving the plasma-derived Factor VIII throughout life, would cost the health service £2m. The cost for giving a child the recombinant product would amount to £5m.

"I know that theoretically recombinant is safer," said Dr Raffle said yesterday, "but we are talking about a theoretical improvement at the cost of doubling the Factor VIII budget, which we could not afford."

But leading haematologists dispute that the improvement is theoretical and say that the safety and purity of recombinant Factor VIII should outweigh any concern about the costs. The HIV tragedy - where 1,200 haemophiliacs were infected with the virus that is linked with Aids, through contaminated Factor VIII used in the early 1980s - casts a long shadow over sufferers, their families and the doctors who care for them.

More than half of those with HIV have died, and scores of others are living with Aids. It is now apparent that 60 per cent of the UK's 5,000 haemophiliacs have contracted Hepatitis C, a virus that has been only recently discovered.

Although the risk of transmission of HIV and Hepatitis C has been minimal since 1986, when new viral deactivation procedures were introduced for blood products, Hepatitis A virus and parvo-virus are resistant to all the present means of sterilisation.

Three young haemophilic boys treated at the Royal Manchester Children's Hospital, contracted Hepatitis A earlier this year. Although contaminated products have not been implicated in this case, the incident has heightened the fear of parents whose children are also receiving care at the

hospital. Janet Hartley from Horwich, near Bolton, who has three sons aged 13, 10, and 7, all with severe haemophilia, says her greatest fear is that some new virus, which has yet to be discovered, may be present in the plasma-derived Factor VIII.

"I have to inject each of my sons with Factor VIII three times a week to prevent their bleeding," she said, "It is hard to do that when you don't have full confidence in what you are putting into their veins and when you know there is a purer product that could be used." She will join the protest today.

The parents know that today's protest will have the support of Dr Richard Stevens, the director of the Haemophilia Centre at the Royal Manchester Children's Hospital. Dr Stevens says that the recombinant form of Factor VIII has the potential for being safer, and that he wishes he could prescribe for all his patients. "Treating children with the plasma-derived product causes a lot of anxiety... they have my support. The trust supports the clinicians and their aspirations. The problem is getting money out of health authorities."

The Haemophilia Society, which has campaigned vigorously for recombinant Factor VIII, has appealed to the Department of Health for central funding, but the request has been rejected. A spokesman for the Department said the decision lay with local purchasers and providers, and that any decision must take into consideration how it will affect other patients and the rationing of other treatments. He pointed out that recombinant Factor VIII was not without some risk as it included a human-derived protein, albumin, as a stabiliser.

More than half of Factor VIII used in Germany is recombinant, and a similar level of use is reported in France although that form is more expensive than the British product.

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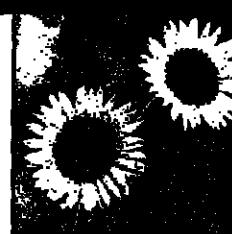
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## Inca child victim found in Andes

An expedition to a remote peak in the Andes has unearthed the child victim of an Inca human sacrifice and a record number of artifacts. The expedition, led by the archeologist Johan Reinhard, was obtaining footage for a BBC *Horizon* programme.

A skull and skeleton thought to belong to a child sacrificed 500 years ago to appease mountain gods was found 18,000ft up Mount Sara Sara, in Peru. The team also found a record seven Inca artifacts strewn around the sacrificial platform.

They included perfectly preserved six-inch-high gold and silver male and female statuettes and a llama carved from an oyster shell. The Incas are said to have sacrificed more than 2,000 people on Mount Sara Sara.

A BBC producer, Tim Haines, said: "We're incredibly lucky with just two filming days left to have found this skeleton and such amazing artifacts. We've all been suffering from a bacterial infection, so this has given us a much-needed boost to our morale." Last year Dr Reinhard discovered an Inca child mummy frozen on the nearby summit of Nevado Ampato and which became known as the Ice Maiden.

A search is continuing to see if a similar mummy might lie preserved under the permafrost of Sara Sara. Dr Reinhard said: "This was a very sacred mountain to the Inca, and, given what we've uncovered so far, I have little doubt that there was more than one sacrifice on this summit."





# New crackdown on child porn on the Internet

CHARLES ARTHUR  
Science Editor

The Government will today try to assuage growing fears about child pornography on the Internet, by lending its weight to an industry initiative which it says will both protect children and help catch lawbreakers.



Tom Sackville: Promising Government commitment

Though it forms at most a minuscule proportion of the data available on the network, child pornography has become a cause célèbre for those interested in imposing controls on the rapidly-growing system, which is largely unaffected by national boundaries.

leisure," said Ian Taylor, the science and technology minister. The new initiative, called Safety Net, has been devised by Peter Dawe, who became a millionaire through his ownership of Pipex, a company offering connection to the Internet for the public. Mr Dawe sold the company earlier this year, and has since been working on the new ideas.

Today's meeting follows another a fortnight ago between Government, the police and companies offering public access to the Internet. Police had warned that about 150 of the network's 15,000-odd discussion groups, or newsgroups, could hold obscene material.

In the UK, it is an offence to store obscene images on a computer. But companies argue that they should be immune from prosecution because the equivalent of several encyclopaedias is sent to newsgroups every day, making it impossible to monitor material.

The new proposals are expected to include the use of "self-rating" systems on pages on the World Wide Web, the fastest-growing part of the network. A rating system would attach a software "tag", like a film rating, to pages. If children tried to view an adult page, software on their computer would stop the connection. Similarly, unrated pages would be assumed to be unsuitable.

The Government's commitment to the scheme will be reflected by the presence today of

both Mr Taylor and the Home Office minister, Tom Sackville, as well as Sergeant Mike Hoskins from Scotland Yard, who last month wrote to all the companies providing public access to the Internet warning them about obscene material, and urging them to take action against it.

Internet service providers can do little about obscenity, however, because material can be sent from countries where such material is legal. Their only recourse is to cut off the newsgroups, since it is illegal to retain obscene material on a computer. So far, though, one of the largest providers, Demon, has refused to take that action.



"Like a swimming jewel": A Koi admired by judges at a show in Sheffield at the weekend

Photograph: Peter Byrne

## Koi has them hooked

"THERE's a Japanese phrase, *Koi kichi*. That's me - Koi crazy," said Gregory Peck, as he leaned over a vat of water to admire his expensive Japanese carp.

"They're like swimming jewels," Mr Peck, 47, was a judge at the North of England Koi Chapter's first show, held in Sheffield at the weekend. The group, formed in November, is affiliated to Zen Nippon Arinaka, Japan's association for Koi-lovers. Mr Peck, a nightclub entrepreneur from Manchester and president of the Chapter, "fell in love" with Koi 20 years ago and keeps 30 in a pond in his garden.

Phil Smith, 36, a bus driver from Doncaster, said of Koi-keeping: "It's a way of life. You get hooked. My job is really stressful. When I come home I'm ready to rip someone's head off. But once I've sat by my pond for 10 minutes I totally unwind."

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## Children die in the poverty trap

ADRIAN BRIDGE  
Budapest

The growing problem of infanticide in Hungary has come under the spotlight because of a gruesome case involving a 26-year-old woman who gave birth to her third child earlier this month and buried it to death. Police say the woman, who has not been identified, was living in poverty with an alcoholic husband and felt unable to cope with the newborn, whom she covered with a blanket and set fire to in her courtyard. The woman's mother raised the alarm when she discovered some of the baby's bones. Police were unable to say whether it had been a girl or boy.

Late last month, a Budapest woman was arrested after admitting to the killing of two of her babies. In testimony to police, the woman, a former social worker, said that she had killed both babies, her fourth and fifth, shortly after giving birth and that she had dumped the most recent in a rubbish bin.

According to official figures, at least 54 Hungarian babies or infants have been killed over the past two years by parents who feel they cannot afford them, an average of one every two weeks. The problem is hardly new, but it has been exacerbated since the fall of communism by sweeping economic reforms which have left many people living below the poverty line.

"The majority of cases involve young uneducated girls frequently without husbands who see killing their babies as the only way out," said Gyorgy Kolmann, deputy director of Budapest's Institute for Child and Youth Protection.

Mr Kolmann says infanticide is a problem throughout the former East bloc, but it is accentuated in Hungary, a country which boasts one of the highest suicide rates in the world.

## Bonn calls for court to enforce monetary union

SARAH HELM  
Dublin

The European Court of Justice should be given powers to enforce the rules of economic and monetary union, Theo Waigel, the German finance minister, said at the weekend. Mr Waigel's comments - intended to assuage German fears about the loss of the Deutschmark - will bolster Conservative Euro-sceptic claims that Britain, if it decides to join a single currency, would be forced to cede powers over tax and public spending.

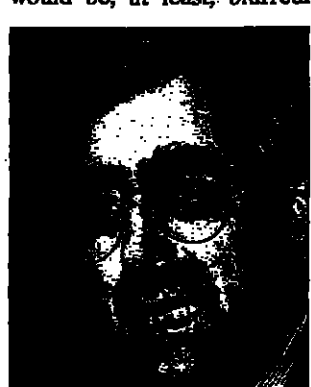
The remarks could strengthen the hand of the Tory right, which wants the Prime Minister, John Major, to rule out British membership of EMU in the run up to the election. But the Chancellor, Kenneth Clarke, speaking after a meeting of EU finance ministers in Ireland, made his clearest declaration to date: EMU was going to happen, and Britain ought to be part of it.

"I get the feeling ever more clearly that it is going to go ahead. We are contemplating the creation of a Euro zone inside the EU in the next three or four years," the Chancellor said. Asked whether Britain would suffer discrimination if it did not join the projected 1999 launch, Mr Clarke said: "I think the single currency could offer prospects of stability, low interest rates, and a zone of economic conditions which attract inward investment and stimulate growth of trade."

However, Mr Clarke insisted that if Britain entered the single currency, there would be "no question" of handing powers of tax and public spending to Brussels. Britain would reject

any attempt to override "the normal parliamentary procedures of independent nation states, which is what we are going to remain", he added.

Mr Waigel's comments suggested that the true picture would be, at least, blurred.



Theo Waigel: Stability pact should be legally binding

Both men were speaking after ministers had agreed the principle of a "stability pact", under which countries inside EMU would be fined if they let their budget deficits rise above the agreed levels. Should a country's deficit rise above the 3 per cent level suggested in the Maastricht treaty, the country would have to submit a revised budget for the approval of an EU "stability council", which might be made up of finance ministers of single-currency countries. Should that country not correct its finances within a year, it would face a sliding scale of fines.

Mr Waigel said for the first time that the rules of the "stability pact" must be "legally binding". He said Germany would insist that if a member state failed to comply with the

rules, other countries could take it to the European Court of Justice in Luxembourg.

Mr Clarke agreed to the principle of the stability pact, arguing that it would be to the advantage of countries inside and outside the Euro zone to ensure economic and budgetary discipline continues.

Nine months ago, political will on the continent appeared to be weakening, amid growing public antipathy towards the single currency, brought about largely by painful budget cutting and fears for growing unemployment. There were fears that France - or even Germany - might not meet the 3 per cent budget deficit rule in time for a 1999 launch. Helmut Kohl, the German Chancellor, was demanding greater political union as the price for sacrificing the mark.

In Dublin, however, the mood appeared transformed. Predictions of growth brought renewed hope that meeting the Maastricht convergence criteria might not be such a struggle after all. Furthermore, it became clear that Europe's leaders will be prepared to interpret those criteria "flexibly".

The European Commission signalled that it would agree to a French manoeuvre, aimed at cutting the deficit in 1997, with a one-off payment of funds from France Telecom. It had been widely predicted that Germany would view the diversion of funds as a "fudging" of the economic criteria. However, Mr Waigel said in Dublin he had no objection.

Preparations have already been made for construction of a new exchange rate mechanism for countries which do not qualify for entry in the first phase.

## Greek elections: Fifth remain undecided after listless campaign



Young hopeful: An Athenian places a New Democracy party flag on a poster of leader Mitsotakis. Photograph: Reuters

## Exit polls spell relief for socialists

ANDREW GUMBLE

The ruling socialist party, Pasok, took a strong early lead in yesterday's Greek general election, according to three separate television exit polls. Although commentators urged caution, the findings came as an enormous relief to the Prime Minister, Costas Karamanlis, who had gambled on an early election to emerge from the shadow of the party's long-time leader, Andreas Papandreu, who died in June.

When he called the snap election last month, more than a year ahead of schedule, Mr Karamanlis was confident of an easy victory, reckoning that a new popular mandate would give

him the authority he needed to push through unpopular austerity measures and tighten his grip over Pasok.

But Mr Karamanlis's quiet, professional manner - a contrast to Mr Papandreu's populist blarney - has failed to enthuse the voters, and Pasok has lost ground both to its main conservative rival, New Democracy, and to a number of left groups.

The last opinion polls published before yesterday's election showed Pasok struggling to stay above 30 per cent, leaving the party still marginally ahead of New Democracy but not by enough to be sure of victory. New Democracy's previously rather unimpressive leader, Mitsotakis, has run an effi-

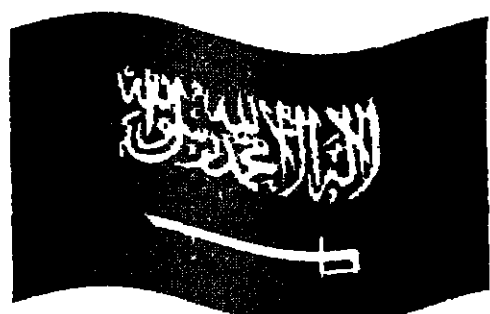
cient, populist campaign, but even he has been unable to break the perception that the two main parties differ little on their main policy planks - preparing the economy for convergence with the European Union and improving relations with Turkey.

In contrast to the colourful, bitterly fought general elections of the past, this contest has been notable mainly for its listlessness. Polls showed 20 per cent of the electorate undecided up to the last moment, and another 20 per cent leaning towards the smaller parties, particularly a left-wing nostalgia party called Dikiki, which is led by a former finance minister of Mr Papandreu's, Dimitris Tsoulas.

In the past week, Mr Mitsotakis has made attempts to live up to his campaign with some Papandreu-style rhetoric. Having tried and failed to win over the Greek people with pledges of prudent financial management, he has spent the last few days handing out thousands of extra places at state universities.

Greece, the poorest country in the European Union, has to pick up the tab for years of extravagance and corruption and needs a political leader strong enough to convince the people that the sacrifices looming are worth it. Neither Mr Mitsotakis nor Mr Karamanlis entirely fits the bill, and both are both sitting on tenuous perches within their respective parties.

23rd September 1996

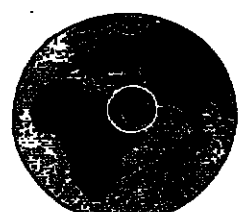


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## Scientists rewrite Australian pre-history

ROBERT MILLIKEN  
Sydney

Scientists were still trying to come to grips last night with claims by a group of Australian scientists to have discovered the world's oldest rock art, together with evidence that humans have inhabited Australia for up to 100,000 years longer than was earlier believed.

While a number of other scientists expressed scepticism, the Australian team of three men and one woman stuck by their claim that their discoveries will force a rewriting of pre-history. Their research is to be published in December in *Antiquity*, the British archaeological journal, and was disclosed at the weekend in the *Sydney Morning Herald*.

The scientists made their discoveries at Jarramull, one of the remotest places in the Australian outback. There, among the parched scrub, they found large rock faces embedded with more than 6,000 engraved circles. The team dated the engravings at between 58,000 and 75,000 years old. But their most controversial claim centres on artefacts and ochre that they found embedded in sediment beneath the ground next to the rock engravings. Using a technique known as thermoluminescence, the scientists concluded that the ochre could be 116,000 years old and the artefacts up to 176,000 years old.

If the latest claims are correct, it means that humans first occupied Australia some 76,000 years before the time when *Homo sapiens* is thought to have emerged from Africa, about 100,000 years ago.

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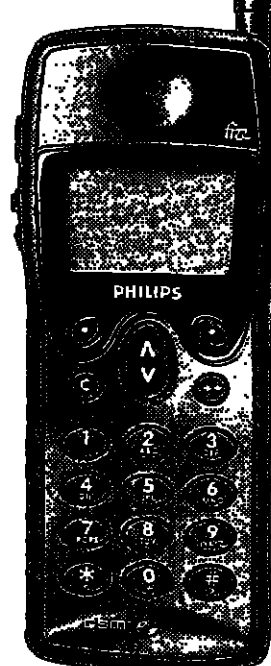
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# Rwanda racked by genocide of stealth

AVID ORR  
Kigali, Rwanda

The hills of north-western Rwanda might appear a haven of peace, but in recent months hundreds of people have been murdered here.

The rising number of attacks by guerrillas has led some to claim the 1994 genocide, in which 500,000 people died, continues to this day. Also causing concern among human-rights monitors are repressive counter-insurgency operations in which hundreds of unarmed civilians have been killed by government troops in recent months.

The hatred which gave rise to the genocide two years ago is still tearing apart this Central African nation. Despite the pending of hundreds of millions of pounds by the international community and the presence of thousands of United Nations and aid-agency personnel, the two ethnic communities seem no nearer reconciliation. Reports by UN human-rights observers indicate that not only have the massacres continued but that of late they have increased.

North-western Rwanda has become a battleground for extremists from the Hutu majority and soldiers of the Tutsi-dominated army: of 283 killings last month documented in a just-released report by the UN Human Rights Operation in Rwanda (HRFOR), more than 200 occurred in the north-west. Nearly all of those who died were unarmed civilians, both Hutus and Tutsis.

Among those being targeted by the guerrillas are Tutsi survivors of the genocide who might testify against those who committed atrocities. In one attack at the end of June, 28 Tutsis, among them 16 genocide survivors, were killed in Gisenyi prefecture. It is believed the Interahamwe (an extremist Hutu militia) was responsible.

The Interahamwe came in the evening when we were asleep," said Deline Mukamusi. "They broke into our house, saying they were going to kill us for talking to the military. They shot four people dead, including my father. I ran out with my baby and hid in the bushes. I know the names of the two men who led them to our house. I can no longer live here; they could come back for me at any time."

Mrs Mukamusi had denounced the two men who had murdered her mother and grandfather during the genocide. What frightens her is that the militiamen had come from over the border with the specific intention of killing her family and that they were given directions to the house by neighbours. She has recently moved to another commune.

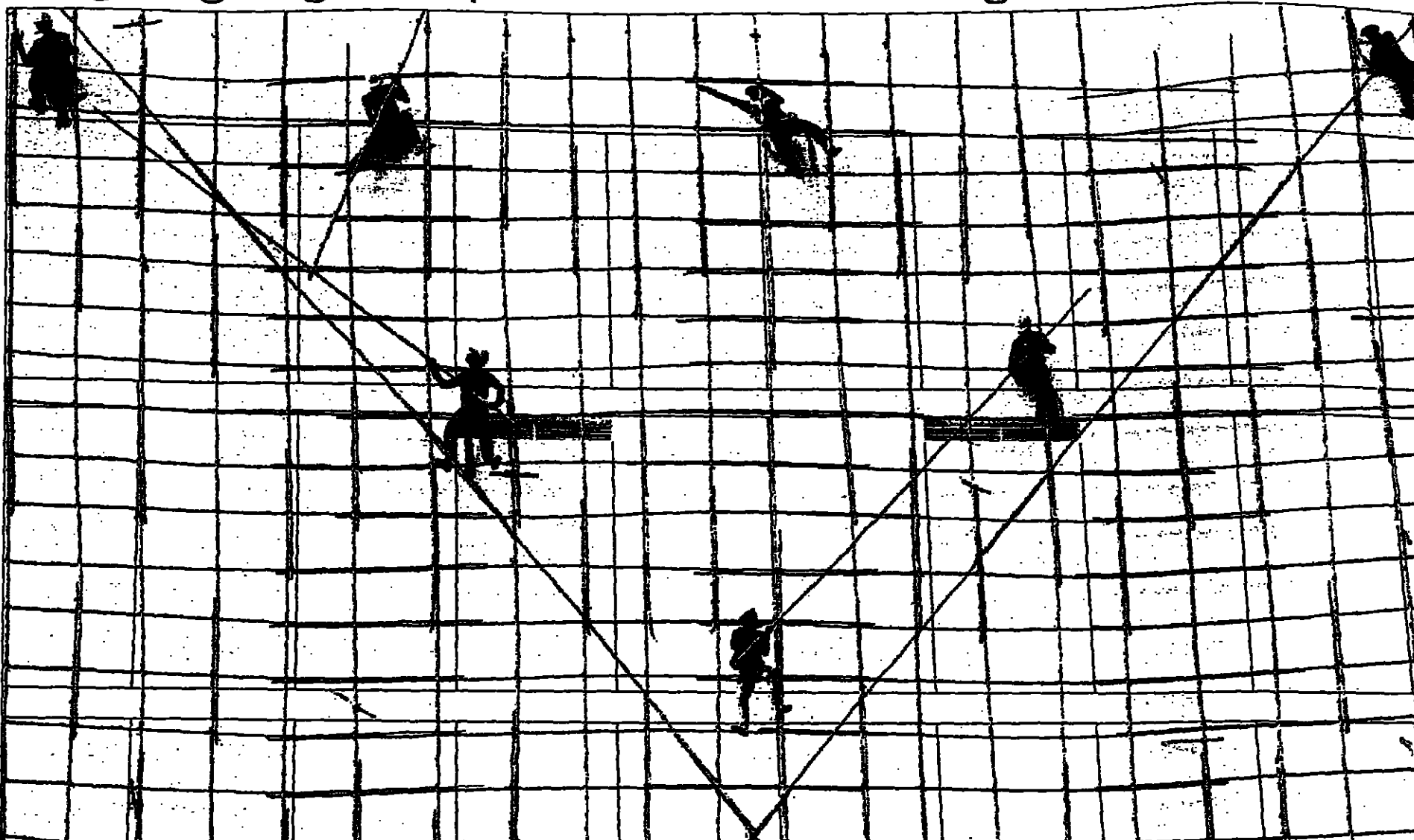
Also being targeted are local officials, often Hutus deemed traitors for working with the Tutsi-dominated government. HRFOR said three dozen local officials were assassinated in July and August, almost certainly by Hutu insurgents.

The army's response has been to launch massive and "cordon and search" operations, rounding up as many as 10,000 people in the mainly Hutu populated countryside. In the course of the past three months, hundreds of civilians have been shot by soldiers and dozens of others led away, not to be seen again by their families.

"There needs to be serious concern about the level of killing by the Rwandan army," said Ian Martin of the UN Centre for Human Rights. "We're convinced that a lot of unarmed people are being killed. It's impossible to tell how many are collaborators - but even if they are, they shouldn't be considered legitimate targets unless they're posing an actual threat. There must be an investigation into what the army is doing."

The government defends its sweeps as legitimate security operations, insisting that many Hutus are openly collaborating with the infiltrators. Few dare speak out against the army: in recent months three Hutu mayors in the north-west have been arrested for condemning the killings of innocent civilians.

## Hong Kong's high-rise spidermen unravel a building from web of bamboo



Construction workers in Hong Kong form a triangle as they dismantle a web of bamboo scaffolding from a new building in the colony's Central district

Photograph: Reuters

## Tobacco barons smoke out the enemy

### CAROLINA DAYS

Winston-Salem, North Carolina — It is 9 am at the New Deal warehouse and Chuck Jordan, the "1989 World Champion Tobacco Auctioneer", goes about his legendary business. He proceeds up and down the lines of tobacco "piles", each between 200 and 275lb, laid across an area the size of a soccer field, making his poetry as he goes along. Trailing him are a cohort of buyers from the big tobacco companies. "Who'll give me ninety-one, ninety-two, done, ninety-one, ninety-two..."

The words flow endlessly, a hypnotic incantation. A clerk scribbles the details on each label, followed by a woman who attaches a coloured tag to each pile. Yellow signifies Camel, green Lorillard, and red-and-white Philip Morris.

Whatever else this sale may be, it is not an auction. The agreed price never varies: a handsome \$1.92 (£1.24) a pound, even for poor quality tobacco, yellow-green not golden of leaf, and mouldy. Strange goings-on perhaps, but then for the tobacco trade, these are not ordinary times: their product persecuted as never before by government, but commanding record prices by the week.

In Winston-Salem, tobacco runs in the blood. "Ain't no bacco, be a ghost town round here," muttered one grizzled old farmer as he surveys proceedings, a cigarette clamped between his lips. An exaggeration, given North Carolina's booming and increasingly diversified economy. But the weed still accounts for one in 11 jobs in the state, and this town is built on the stuff. Or more exactly, on the RJ Reynolds Tobacco Company, founded in 1875.

The one distinction of an "Anywhere USA" skyline is RJR's 22-storey headquarters, built in 1927 in the Art Deco style and reputedly the inspiration for the Empire State Building in New York. Winston-Salem is surely the only town anywhere to have given its name to two best-selling cigarette brands (remember those 1968 advertisements, how the menthol Salems "gently air-soften each puff for a taste that's country-soft"?). A marketing pitch like that would be a category one felony today, when RJR's chief executive is accused of lying to Congress, when each week brings a billion-dollar lawsuit and a fresh anti-smoking sermon from the President, and the government seeks to classify tobacco as a dangerous drug.

You sense the siege mentality on the northern edge of the city, its fountains and gardens providing the setting for a state-of-the-art factory capable of turning out 275 million cigarettes a day, one fifth of all the tobacco consumed in the US. A prim, tight-faced woman took me on the standard 30-minute tour of the plant, not deviating an instant from her prepared script, even for the most innocuous of questions. Afterwards you get an RJR pen, a disposable fold-out ashtray, an RJR book of matches, "and would you like a complimentary pack of cigarettes, sir?"

At the New Deal warehouse, however, there is no trace of defensiveness. Everyone assumes the Clinton administration's assault is an election-year ploy to win votes in other states (though assuredly not in North Carolina). "We haven't suffered any problems yet," says Stewart Pruitt, who runs a 12-acre farm near Pilot Mountain, north of Winston-Salem. "Of course if this goes on, it could change. But the whole thing is political; it's not as if tobacco is hurting people who don't know. Everyone knows it harms."

The 32,000lb of tobacco he'll sell in 1996 will fetch \$60,000. Sam Young, manager of the 37 million pounds of sales allocated by the federal government to the Winston-Salem region, cannot remember when prices were so high for so long. But even he wonders what is going on as the companies no longer even pretend to compete on the bidding. "They contend there's a world shortage of tobacco, and of course the hurricane [Fran, which ravaged

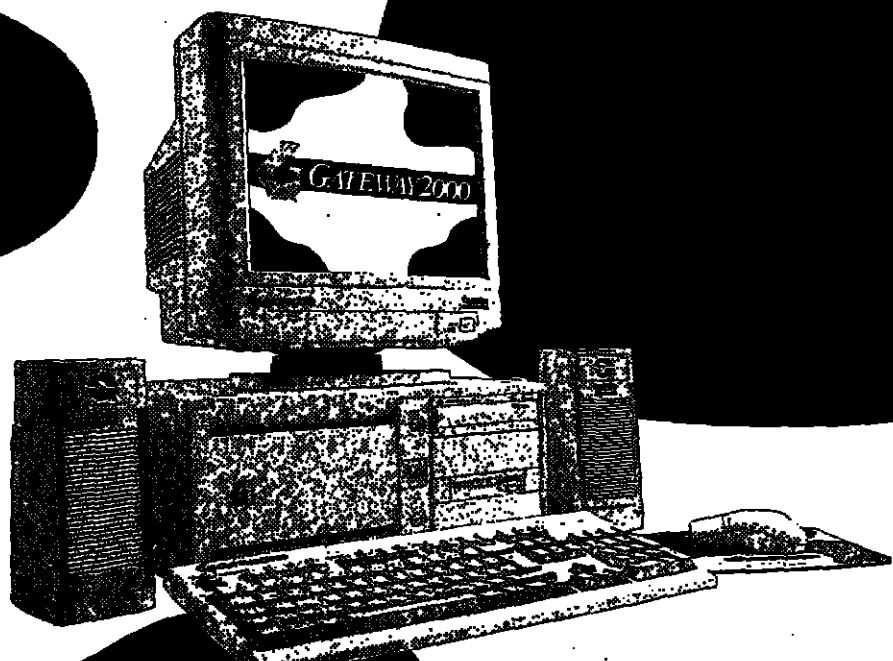
North Carolina earlier this month] didn't help. But these high prices may be a deliberate way of telling the farmers and the industry, don't worry, we're behind you."

And so the tobacco wars continue. Whatever happens in the US, humankind's fondness for the weed is, if anything, increasing. As the sunlight shafts down from windows as through the stained glass of a cathedral, the warehouse seems a church, and his business eternal. Out on the floor Chuck Jordan pursues his mantra: "Who'll give me ninety-one, ninety-two... ninety-two, ninety-two..."

Rupert Cornwell

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**French visit:** Vatican policy that strictly respected church-state sensibilities produces successful end to a controversial trip

# Battalions of faithful give Pope a victory

MARY DEJEVSKY  
Rheims

The church-state battles generated by the Pope's visit to France ended yesterday with a victory for the church - in terms of turn-out, at least.

Almost 200,000 people from northern France and neighbouring countries gathered at Rheims airport for an open-air Mass that ended in applause and spontaneous shouts of "Hoorah, Long live the Pope".

Two hours later, in Paris, a demonstration supported by more than 70 organisations mustered barely 6,000 people to protest at the use of state funds to subsidise the Pope's visit, and to demand that the constitutional separation of church and state be observed.

As the Pope flew home last night there were expressions of satisfaction from French bishops. There were also signs that the Vatican had gone out of its way to avoid or defuse the most divisive controversies.

With evident relief, the Archbishop of Paris, Cardinal Jean-Marie Lustiger, spoke of the "calming" effect of the visit, and a spokesman for the French episcopal council said that the argument about church-state relations that had "soured the mood" before the four-day visit would "not be allowed to poison relations again".

As the Paris demonstration was melting into the back streets of the capital, the Pope was embarking on the single most contested event of his visit: a special Mass in the magnificent medieval cathedral of Rheims to commemorate the 1,500th anniversary of the baptism of Clovis, regarded as France's first king.

Arguments about the Clovis

celebrations had thundered back and forth in France since the beginning of the year. Was it appropriate to celebrate the anniversary of the baptism of France's first king in a state that is not just a republic, but constitutionally secular?

Other tensions, however, were successfully defused or much played down. The decision by President Jacques Chirac not to attend the Mass in Rheims, despite initial plans to do so, nullified the objections of non-Catholics, who had said his presence would serve to associate the state too closely with the Catholic Church. The only ministers to attend any of the papal events were those known as devout Catholics and with local connections in the places the Pope visited.

If the state kept to state protocol, the Pope remained, in his Clovis utterances, within the realm of the sacred, concentrating on the religious significance of the baptism of Clovis, and stressing baptism as a sacrament for all Christians, rather than the "baptism of France" through the baptism of Clovis. He carefully called Clovis "King of the Franks" rather than of France.

Throughout, the Pope looked tired and in pain and moved with difficulty, but he completed the whole of a crowded programme. The Bishop of Tours, Mgr Honoré, who accompanied him for the first three days, said the Pope was clearly in "fragile health" but had a good appetite and was able to rest.

He said the Pope spoke "freely and with a smile" about the end of his life. "Each day," he quoted the Pope as saying, "it is I who decide when to go to bed, but it is God who decides whether I get up."



Banging the drum: A Force Ouvriere supporter joining demonstrations in Paris over the use of state funds to subsidise the Pontiff's visit

Photograph: Reuter

## Bishop carries torch for Romanian minority

As befits a Calvinist Bishop and a man with a cause, Laszlo Tokes has a stern air which does not lend itself to smiling. But he softens as he thinks back to December 1989 and the tumultuous events in the western Romanian city of Timisoara which precipitated the downfall of the dictator Nicolae Ceausescu.

Then a priest in Timisoara, Bishop Tokes was the spark for the revolution, a man of principle who dared to speak against the system. The masses gathered in protest around him, following an order for his eviction. "What a marvellous moment," he recalled. "For a few brief weeks we were all united [in our aim] to get rid of the evil Ceausescu, after which we hoped everything would change."

Like most Romanians, Bishop Tokes, now 44, hoped the toppling of Ceausescu would lead to the rapid establishment of democratic freedoms. In his case, however, there was a particular concern over the well-being of the country's large ethnic Hungarian minority, of whom he is one.

After decades of persecution under the Communists, the country's ethnic Hungarians, who are concentrated in Transylvania, hoped to gain linguistic and cultural rights and to halt the erosion of their identity.

For a while it looked as though they might succeed. Ethnic Hungarians and Romanians had stood side by side in the revolution and, in recognition of the role he had played,

### Local heroes: Bishop Laszlo Tokes

Bishop Tokes was invited to join the now ruling National Salvation Front in Bucharest. Ceausescu's successor, Ion Iliescu, was promising minority rights.

But the honeymoon did not last. Within weeks ancient frictions resurfaced and in March 1990 four people were killed in clashes between Romanians and ethnic Hungarians. In the years since, Bishop Tokes, who doubles as honorary president of the Democratic Union of Hungarians in Romania, has continued to champion the rights of ethnic Hungarians. The bishop is revered by his

own people, but Romanian nationalists see him as the Devil incarnate, whose real aim, they claim, is to bring Transylvania back under Hungarian control - as it was until the collapse of the Austro-Hungarian empire in 1918.

Bishop Tokes's adoption of the ethnic Hungarian cause has cost him dearly. In addition to death threats, he has endured what he describes as a campaign of vilification and intimidation. Instead of gaining rights - to education in Hungarian, for instance - his people have been losing ground, he insists.

A friendship treaty signed by Hungary and Romania last week was supposed to resolve the issue of minority rights. In return for Budapest's accep-



Laszlo Tokes: Fighting for ethnic Hungarian rights

tance of the permanence of the current border, the Romanian government agreed to a host of minority-rights regulations as

laid down by bodies such as the Council of Europe and the United Nations.

According to Bishop Tokes, however, the treaty was a sham, and offered no concrete rights to the 1.6 million ethnic Hungarians in Romania. It was simply intended to shore up both countries' bids to join the European Union and Nato.

"It was a shame: it was the perfect opportunity to really improve things for us," he said. But he does not intend to give up. "Since the events in Timisoara in 1989 my life has been predetermined. I am devoted to this politics and this people. I am a pastor after all. I have a calling."

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## Perot goes to court in bid to be heard

RUPERT CORNWELL  
Washington

Ross Perot's Reform Party today files an injunction in a last-ditch effort to force his inclusion in the presidential debates scheduled for Hartford, Connecticut on 6 October and San Diego on 16 October.

On Saturday representatives of President Bill Clinton and his Republican challenger, Bob Dole, agreed to two 90-minute confrontations sandwiched around a vice-presidential debate on 9 October between Al Gore and Mr Dole's running-mate, Jack Kemp. After recommendations of the bipartisan Presidential Debates Commission last week, neither Mr Perot nor his running-mate, Pat Choate, will take part.

The decision was a tactical victory for the Dole camp, based on the calculation that he would have split the anti-Clinton vote and attracted support that would otherwise have gone to the Republicans.

For that same reason the White House pressed for Mr Perot's inclusion.

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international

# SA old guard blocks black judge

MARY BRAID  
Johannesburg

South Africa's white judicial establishment is making a shrill and concerted effort to block the appointment of the country's first black chief justice.

One hundred judges, including 10 of the 11 on the Appeal Court, have come out against Ismail Mahomed, the first black appointee to the Supreme Court and a member of the new Constitutional Court. The white judges, almost all appointed in the apartheid era, are backing, Hennie van Heerden, the most senior member of the Appeal Court.

The judges said they had to speak out after President Nelson Mandela's premature show of support for Judge Mahomed. But critics said their intervention, in probably the most important legal appointment of the post-apartheid era, exposes the deep resistance to change in the judiciary's old guard.

An Appeal Court Judge, Joos Hefer, who said Mr Mandela's favouritism made a mockery of the new selection process, demanded that Judge Mahomed should resign if "there is any honour left in this game". That earned him a reprimand from the retiring Chief Justice, Michael Corbett.

To some, talk of honour from such quarters - Judge Hefer was a champion of apartheid emergency legislation in the late 1980s - reeks of hypocrisy. "Where were the trenchant calls by these luminaries when mediocre members of the erstwhile vult were appointed to the bench by the former state president?" asked Clifford Mailer, a leading advocate and former colleague of Judge Mahomed.

"Where were there calls of dismay when genuine candidates were overlooked for the bench and when others who were on the bench were punished by being overlooked as chief justice for acting inde-

pendently and against the racist interests of the apartheid government?"

And where, he asked, was their sense of fair play when the young advocate Ismail Mahomed had to finish his argument in one day at the Appeal Court in Bloemfontein, because if he stayed overnight he would break the Group Areas Act. Not a voice was raised in protest, said Mr Mailer, when the same apartheid laws prevented Mr Mahomed lunching with colleagues in the bar dining-room.

Criticism of Mr Mandela's support for Judge Mahomed was a smokescreen for the real

issues, said Mr Mailer. Another commentator agreed: "The truth is that few judges on the bench embrace the new culture of human rights and are hostile to change."

But no one would dispute that the President's indication of preference to the Judicial Services Commission (JSC) was unhelpful to Judge Mahomed. Although the appointment of the chief justice ultimately lies with the President, he is supposed to consult the JSC and the Cabinet first.

Many testify to the judge's outstanding ability and intellect but the cloud of affirmative action hangs over him. When

Supreme Court Judge Rex van Schalkwyk resigned recently, he said affirmative-action appointments were one reason.

Despite Mr Mandela's indiscretion, at least South Africa now has a mechanism for wide consultation about the chief justice's post, and nominations can come from all ranks of the bench. Before, the chief justice was appointed from the ranks of the Appeal Court.

The new transparency includes public hearings next week at which both candidates will be questioned by the Judicial Services Commission. An appointment is to be made before the end of the year.

## significant shorts

### Samper's jet crew held over heroin haul

Eleven crew members from the Colombian President's jet were being detained and questioned yesterday in an effort to determine who put 3.7kilos (8.2lbs) of heroin aboard the aircraft.

The heroin was discovered on Friday after an anonymous telephone tip, and President Ernesto Samper opted to fly by commercial jet on Saturday to New York, where he is to deliver an anti-drug speech to the United Nations General Assembly today. The government suggested the drug was planted aboard the Boeing 707 to embarrass Mr Samper, who won election in 1994 with \$6m (\$4m) in drug contributions but was cleared by Congress in June of corruption charges. AP - Bogota

### US carrier set to leave Gulf as Iraq backs off

The United States may decide next week to remove one of its two aircraft carriers from the Gulf because Iraq appears to be backing away from a confrontation with Washington, the United States Defence Secretary William Perry said. A decision would be made next week on whether to return the carrier *Carl Vinson* to the US in October, leaving only the carrier *Enterprise* in the Gulf. "I truly believe that Iraq is backing off from the threatening actions they were taking a week ago. But we will watch it very carefully every day, every hour," Mr Perry said. Reuter - Stockholm

### Tension rises in Lebanon

A five-nation committee monitoring a ceasefire understanding in Lebanon has had a tense meeting discussing complaints following Israel-Hizbollah fighting. Lebanese officials said. They said the US, French, Syrian, Lebanese and Israeli delegates adjourned the meeting to Tuesday, in Naqoura, to weigh a complaint by Beirut that Israel shelled civilian areas in south Lebanon on Thursday. Israel said it would complain that Hizbollah guerrillas fired on its forces from three villages that day. Reuter - Beirut

### Saudis behead four Nigerians

Four Nigerian men were beheaded in Mecca for robbing a gold store, the Saudi Arabian Interior Ministry said in a statement.

Under Saudi Arabia's Islamic laws, convicted rapists, murderers and drug smugglers can get the death sentence. Robbery is usually punishable by fines, jail, or amputation of the hands. It was not clear why the Nigerians were executed for robbery alone. AP - Jiddah

### Bleak future for Algeria

The Algerian president, Liamine Zerroual, in a rare news conference, has given his 29 million people a bleak assessment of their short-term future, diplomats and commentators said. About 50,000 people have been killed in a four-year conflict pitting Islamic guerrillas against the government, and the economy is shrinking. Reuter - Paris

### Sri Lankan troops attack

Sri Lankan troops, backed by tanks, artillery and air support, launched a fresh attack on the heartland of Tamil Tiger rebel territory, military officials said. It was the first major push for more than a month by the Sri Lankan security forces, who had dug in north of the rebel-held northern town of Kilinochchi, a gateway to the rebels' jungle stronghold of Wanni. Reuter - Colombo

## Bhutto killing sparks unrest

Larkana (Reuters) - Demonstrators fought police yesterday outside the ancestral home of Murtaza Bhutto, the last male scion of Pakistan's leading political clan, whose death on Friday threatens to plunge the country into renewed political turbulence.

Murtaza 42, estranged brother of the Prime Minister, Benazir Bhutto, died in a hail of police bullets outside his Karachi home. Police said his bodyguards, seven of whom also died, fired first. Murtaza supporters blocked the road with burning tyres yesterday and chanted slogans accusing Ms Bhutto's husband, Asif Ali Zardari, of conspiring to kill their leader.

Members of the divided Bhutto political dynasty came together to pay respects to Murtaza. His death has shaken Ms Bhutto, who inherited the leadership of the Pakistan People's Party (PPP) from their father, the former prime minister Zulfikar Ali Bhutto, after his hanging in 1979.

His mother, Nusrat, accompanied by Ms Bhutto and another daughter, Sanam, laid red roses on Murtaza's grave yesterday. Nusrat issued a statement saying Murtaza's death was part of a conspiracy against the Bhutto family. She denied reports that she had implicated Benazir and her husband. Nusrat also lost another son, Shah Nawaz, who died, possibly



Benazir Bhutto and other officials praying for Murtaza yesterday at Larkana, the family's ancestral home

Photograph: Reuters

poisoned, in France in 1985. Opposition politicians have also accused Ms Bhutto and her husband of being responsible for Murtaza's death. Ms Bhutto's government prided itself on what it saw as restoration of a semblance of peace to Karachi, where a struggle with ethnic militants of the Mohajir National Movement (MQM) cost 2,000

lives last year. Now the leeway Ms Bhutto gave the security forces against the MQM appears to have rebounded. "The Karachi police, a creation of the present government, has become a Frankenstein," said the Nation yesterday.

Last year Murtaza formed a splinter faction of the PPP. He spent 16 years in exile, mainly

in Syria, at the head of Al-Zulfikar, a group accused of hijacking a Pakistani airliner in 1981. He returned home in 1993 to face charges arising from his struggle against President Zia ul-Haq, who executed his father. He was freed on bail after seven months.

Murtaza's PPP-Shaheed

[martyr] Bhutto group posed no threat to his sister's mainstream party, but security officials have said it was suspected of being behind bomb attacks that killed one person and wounded three in Karachi last week.

He denied the claim just before his death and accused security forces of planting the bombs to discredit him.

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We have joined forces with Café Rouge, the restaurant chain that offers straightforward French cooking at value for money prices, to offer you the chance to sample the new autumn menu at a unique rate.

Together with a friend, you can enjoy a two course lunch plus coffee, worth up to £13, for just £5 each, or a three course evening meal plus coffee, worth up to £18, for just £10 each. Service is included in both prices.

There are 65 Café Rouge restaurants, located in England and Scotland, which are participating in our offer. For further details, see our list below.

**How to Qualify**

To qualify for the offer, simply collect three differently numbered tokens from the eight we will be printing in The Independent and Independent on Sunday. If you have a Starter Token, it can be used instead of a numbered token, but only one Starter Token can be used to make up your token collection.

Attach two tokens to one of the special vouchers printed in the paper (each of which bears a third token) and take it to your nearest Café Rouge between 30 September and 13th October inclusive, to enjoy one of our two great offers - lunch for £5 or dinner for £10. You must identify yourself as an 'Independent / Café Rouge Voucher Holder' and present

your voucher and tokens on arrival at the restaurant. You will be given a copy of our exclusive menu, details of which were printed in the Independent on Sunday yesterday and will appear again tomorrow.

Today we print Token 3 and the first of our vouchers; Token 4 will be printed in tomorrow's Independent. Further vouchers will be printed on Thursday 26 and Sunday 29 September.

If you want to try both of our superb offers of lunch for £5 and dinner for £10, you can do so. Just remember to collect three differently numbered tokens plus a voucher for each offer.

Tokens can be redeemed at any time between 30 September and 13 October 1996 inclusive.

**Terms and Conditions**

1. The offer entitles two people to either Lunch for £5 each or Dinner for £10 each when a voucher and three differently numbered tokens are presented at one of the Café Rouges listed in our promotion.
2. Only one Starter Token can be used instead of a numbered token.
3. The cost of drinks is not included in either offer and a 12.5% optional service charge will be added to the cost of any drinks or purchases additional to the offer.
4. Photocopies of tokens and vouchers are not acceptable.
5. The offer is valid from 30 September to 13 October 1996.
6. For readers who have an Independent/Café Rouge promotional postcard, this qualifies as a voucher. It can be redeemed at any Café Rouge restaurant listed in our promotion, as long as two differently numbered tokens are attached, alongside your Starter Token.



## CAFÉ ROUGE RESTAURANTS:

**LONDON:** Battersea, Blackheath, Canary Wharf, Chelsea, Chiswick, Clapham, Crouch End, Dulwich, Ealing, Earlsfield, Fetter Lane, Fulham, Fulham Palace Road, Fifth Street, Hampstead, Hays Galleria, Highgate, James Street, Kensington, Kew, Knightsbridge, Limeburner Lane, Meida Vale, Old Brompton Road, Portobello, Putney, Richmond, Sheen, Southgate, Shepherd's Bush, Strand On The Green, Wandsworth, Wellington Street, West Hampstead, Whiteleys, Wimbledon, St John's Wood.

**OUTSIDE LONDON:** Aberdeen, Bath, Beckenham, Birmingham, Brentwood, Brighton, Bristol, Cambridge, Canterbury, Chelmsford, Dorking, Edinburgh, Esher, Glasgow, Guildford, Harrogate, Henley, High Wycombe, Kingston Hill, Knutsford, Loughton, Manchester, Oxford, Pinner, Reigate, St Albans, Sunbury, Weybridge, Wilmslow.

If you are not sure where your nearest Café Rouge is, simply call 0171 478 8042 for details. Opening hours are Mon-Sat: 10am-11pm, Sun: 10am-10.30pm. For city branches, check with your local Café Rouge.

## OFFER VOUCHER

**YOUR DETAILS**

Title (Mr/Mrs/Miss/Ms) \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

Postcode \_\_\_\_\_

Date of Birth \_\_\_\_\_

From time to time Newspaper Publishing and The Peltan Group may send you information on further special offers. If you do not wish to receive this please tick this box.

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**CAFÉ ROUGE RESTAURANT BAR CAFE**

**TOKEN 3**

**THE INDEPENDENT ON SUNDAY**

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# It pays to listen to the Liberal Democrats

With a whimper, not a bang, the party conference season has begun. The logos even match the weather: lots of gloomy grey, with the occasional glimmer of damp gold. Paddy Ashdown's podium speech will make it on to the television news bulletins. But most of the media will view this week's Liberal Democrat conference as a practice run for the red and blue political extravaganzas to follow.

However, it would be a big mistake to ignore the debates in Brighton. True, Paddy Ashdown will not win the general election. Even in the event of a hung parliament the government is unlikely to march to a Liberal Democrat tune. Compromises will be made, deals done, and Liberal Democrats will temper their policy ambitions faced with the pragmatics of power.

However, it is exactly because the Liberal Democrats are not pursuing victory at the general election that they are so important today. Since they won't have to take responsibility for executing their policies, they can think the unthinkable. And because they don't have to build a majority coalition across the country, they can advocate the unpalatable. Not for them the anguish that convulses Labour and the Tories over unpopular policies which might lose them votes.

Liberal Democrat politicians form an elected national think-tank, bringing legitimacy to new ideas and drawing

them into the political mainstream. Our democracy is much richer for them.

The party has an extremely useful, if slightly curious, double identity. On the one hand, Liberal Democrats are the moderates, tucked in between two warring coalitions, avoiding dogma and ideology and talking sense. On the other, they are the party of stropky little guys, instinctive rebels and outsiders, who can't help themselves reacting against any big institution or broad consensus of ideas.

So the non-conformists among them back unconventional ideas and new approaches to the world. That activists at the Liberal Democrat conference last year wanted to examine the legalisation of drugs should come as no surprise. But their moderate side lends respectability and credibility to ideas that might otherwise be laughed out of sight.

Thus not only can they bounce the Conservatives and Labour into accepting new ideas, they can also persuade the public where the other two parties might fail. Cautious always about the votes they might lose in the run-up to a close election, neither main party is in a strong position to provide national leadership on difficult issues.

Consider petrol taxes. The Liberal Democrats were not the first group to propose higher taxes on pollution and car use. Nevertheless the Liberal Democrat talking heads who kept discussing green taxation on television

before the last election did raise the issue in the public consciousness. So by the time the Conservative government started pushing up petrol taxes, no one believed they were giving in to the ravings of environmental extremists. The Tories were able to do something progressive, and still sound conservative.

Similarly, the Liberal Democrats have pushed the debate on constitutional reform. Their proposals are not revolutionary; the Queen still reigns in Ashdown's vision of the future. But they have argued for wider institutional change than the Labour Party - calling for proportional representation to elect

the House of Commons, and endorsing regional government with more enthusiasm than Tony Blair has so far done.

On the most difficult political issue of all - taxation - the Liberal Democrat voice is now vital. While Conservative and Labour politicians wouldn't dream of calling for tax rises in the run-up to the election, the Liberal Democrats are still advocating an extra 1p on income tax to spend on education. The fact is that the Liberal Democrats are the only national political party to challenge the prevalent popular view that all tax rises for all purposes are deeply undesirable (and even, as John

Major implies, morally wrong). And thank goodness they are, because with the public finances so weak, and the demand for investment in education so high, the next government may well need to raise taxes.

But the Conservatives won't admit that tax increases can be constructive. And Labour can't. Having lost elections in the past on tax-and-spend, Labour can only follow the existing public consensus on taxation. It has not the authority or strength to build a popular consensus in favour of tax increases. So it falls to the Liberal Democrats to persuade voters that higher taxes need not be such a terrible thing.

Those who say that British politics isn't big enough for more than two major parties are wrong. There may not be much ideological space between new Labour and left-wing Conservatives, but the political space around them is immense. It is true that the moderate side of the Liberal Democrat identity, eschewing extremism and ideology, is now personified far more effectively in Tony Blair. But the creative, independent, truly liberal side of the Liberal Democrats would be sorely missed if Ashdown's party did not exist.

Ashdown might show a willingness to be aligned increasingly with Tony Blair. But even this is tempered by the increasing illiberal tendencies of some leading Labour figures. And British democracy would be poorer if the Lib-

eral Democrats were submerged underneath a new, Labour-led centrist party. Whether it be providing local government leadership, healthy opposition to both Labour and the Tories at local level, or generating radical new policies for the nation, the Liberal Democrats have an important role to play. We should watch events at Brighton closely this week, not to see the policies of the next government, but because we may see the glimmer of policies for the next millennium.

## Roots on Ramsey Street

Our early ancestors had terrible travel agents. Had Judith Chalmers and her pals been around they would have swiftly advised *Homo erectus* to try the delights of the Med rather than the wilds of the Australian outback. Yet newly discovered cave paintings and ancient artefacts suggest that the first human foray out of Africa took place down under after all.

But there is another interpretation. Perhaps human life actually started in Australia. Could it be that the overwhelming popularity in Britain of the Codies, Kylies and Iobadies of Ramsey Street is just our yearning to get back to our roots?

## LETTERS TO THE EDITOR

### Dangers of genetic food-tampering

Sir: Your leading article of 20 September discussed BSE and organic farming and also touched on genetically engineered food. The possible dangers of hasty adoption of such food products make the BSE crisis pale by comparison.

A number of scientists are pointing out that there is no way to predict the full effects of genetically modified foods on humans, animals and the environment.

There have already been cases where people have suffered allergies, paralysis, and death from genetically modified food.

Cross-fertilisation of modified crops with unmodified crops, and the increasing use of herbicides (through plants producing their own pesticides, or being bred to be more herbicide-resistant), will result in irreversible changes to the ecosystem.

At the very least two things are required: a much more rigorous testing of the effects of genetically engineered food; and clear labelling of any products containing such food, including the source of any genes coming from other products, so that people experiencing side-effects or with allergies to the source product can easily track down the cause of their problem.

It is quite shocking that there are plans to bring a large crop of soy beans genetically engineered to resist weedkiller into the country in the next few months.

In one form or another these will find their way into about 60 per cent of the food on supermarket shelves, including baby food.

ANDREW JEDRZAK  
Cardiff

Sir: In his latest address Prince Charles showed a firm grip of reality, pointing out that polls have shown that the public prizes the countryside second after free speech. But Suzanne Moore seems to begrudge him the latter ("Charles: King of the Legumes", 20 September).

What could be more relevant to the present day than to point out that modern farming methods have led to BSE and to the exploitation of farm animals and livestock (such as battery chickens)? Good Duchy of Cornwall products now on sale - cheeses, wine and wheat and oat biscuits - show that Charles is putting his principles into practice. JENNIFER MILLER  
London SW15

Sir: I wonder if Prince Charles ("BSE is an offence against God," says Prince Charles", 20 September) considers his beloved Jack Russell to be an offence against God. There are no Jack Russells, corgis, race horses or Friesian cows in the wild. All of them are "genetically modified organisms".

Not one item in the average supermarket is 100 per cent "natural", especially the fruit and vegetables.

Does Prince Charles develop a cold sweat every time he is offered a seedless grape? I STOCKER  
London W14

Sir: Prince Charles was lecturing, by invitation, to the Soil Association, not, as Suzanne Moore would have us believe, foisting his unasked opinions on an unwilling world. What's more, no one who has heard the difference between



organically grown vegetables and the pesticide-treated, chemically fertilized variety, can be in any doubt that he is right.

When I see what disasters have been caused by chemical and genetic assaults on our planet, I know whose views I prefer. JOHN ANSTEWY  
London EC1

### Vision that drew me from atheism

Sir: Bryan Appleyard ("Catholicism made us what we are", 19 September) perpetuates the false image of a Church besieged, paranoid about its place in the world and defending "absolutism" against the ravages of liberal relativism. It is not the vision of Christianity which drew me from atheism to Catholicism some 10 years ago.

Anyone attending any of the Christian churches today, or at any time in history, would realise that the real logical consequence of believing in a God who became incarnate is that life is not as simple as "absolutists" make out.

The Gospels do present clear values, and insights on life and life in Christ. However the reality of incarnation is that their application in any given age or culture needs to be discerned, through prayer, as faith, both individual and that of the Church as a community, develops.

Even current "absolutists", like marriage and clerical celibacy, have seen theological and canonical developments over the centuries. Much of the celebrated "philosophical genius" owes more to Aristotle than the Gospels and was rejected in Aquinas's own

time as irredeemably pagan.

All Christian denominations have their "liberal" and "conservative" wings.

Christianity is really about a praying, living, growing community, united in that life and growth by a common belief in a God who not only died for us, but also rose again to new life. It is this latter mystery which is the real distinction between Christianity and a purely secular understanding of life. CATHERINE SHELLEY  
London SE5

Sir: The religious view of Creation ("God, the British and Rancie", 12 September) is naive and lacks a real cosmic perspective. But the atheistic attitude of the likes of Atkins and Dawkins is also naive. It was Einstein who said: "Religion without science is blind, and science without religion is lame." R.BARNES  
Chartered Engineer  
Longfield, Kent

Sir: If the possessor of one of "the brightest, most subtle and most perceptive minds of his generation" ("Twenty-five years of Ireland's Dr No", 20 September) believes in the Devil, the Anti-Christ and God's curses on unbelievers, there can be no hope for the people of Northern Ireland.

One wonders about the beliefs of those afflicted with daller, less subtle and less perceptive minds than Ian Paisley, firebreathing dragons and fairies at the bottom of the garden? ALAN STABLEFORD  
Gravesend, Kent

### Cheaper single rail tickets

Sir: The problem highlighted by the action of the Rail Regulator, John Swift ("Rail firms block creative journeys", 20 September), is the fare structure used on Britain's railway system.

Cheap day returns and other railcard tickets are almost the same price as a single ticket, which is fine for a simple return trip on the same route. But should you want to return by a different route, or do a round trip by visiting somewhere else before returning home, you could find it very expensive or awkward, as you would be forced to buy either overpriced single tickets or unnecessary return tickets.

The solution would be to sell cheap day single tickets at a price much nearer that of half a return ticket, so that passengers could enjoy much greater flexibility, as they do in France. It must be remembered that the train operators' main competition is not from each other but from road and, to a lesser extent, air transport. DAVID NOWELL  
New Borne,  
Hertfordshire

### No, Melanie

Sir: Melanie Phillips ("Not just an educated guess", 14 September) cannot get away with replying to my review of her book *All Must Have Prizes* by using the same techniques as she used in the book itself. She accuses me of being dishonest, not engaging with her

arguments, and defending the indefensible (or "teachers" as some people prefer to call them). She must have missed the references to Dewey, Adorno, examples of her mis-stating of people's positions, and arguments against her position.

I stated that I had never met a teacher who believed, as she claims the profession does, "that no value or activity can be held to be any better or worse than any other". She replies that some teachers neglect mathematical and grammatical rules - not the same thing. The naughty bit of innuendo, "It is a great pity Professor Wragg felt unable to accept his invitation to take part in Thursday's Observer debate", won't do. Not "felt unable", but rather "was unable". I had been committed for months to lecturing at a national conference of special needs teachers at the very same hour.

Professor E C WRAGG  
School of Education  
University of Exeter

### Best way to keep neighbours sweet

Sir: Jack Straw may be right, as you suggest in your leading article of 18 September, to try and reframe the law on neighbour nuisance. The Community Safety Order, carrying a possible imprisonment penalty for infringement, is certainly a radical measure. However, it fails to recognise a basic fact: the vast majority of neighbour disputes are two-sided affairs in which problems have escalated, often from small beginnings.

Labour would do well to consider alternatives to measures that run the risk of escalating hostility even further. Mediation, as an effective means of conflict resolution, is increasingly accepted and encouraged in a variety of arenas. In the field of neighbour disputes there are about 25 voluntary mediation services nationwide. These services build consensus in the community by helping neighbours in the peaceful resolution of disputes and by teaching negotiating skills. All services are independent and have the usual struggle to raise funds.

What about a pledge to support such measures? Mediation offers a far greater hope for the lasting resolution of conflict than an imposed order such as the one Mr Straw is advocating. MARION STEVENSON  
Chair,  
Oxford Community Mediation  
Oxford

### Colour blind

Sir: As a teacher involved with the annual Nativity play, I hadn't realised how ground-breaking our productions were ("Black into white makes theatre history", 19 September). We regularly have black Marys, Asian Josephs and shepherds and kings of every "colour" and of either sex.

The children never had any problems with this as they were acting, ie pretending to be someone they were not. How strange that adults should have such difficulty coming to terms with a concept so easily understood by five- to seven-year-olds. DIANCO SANKEY  
High Bentham, North Yorkshire

### Elitism behind voting change

Sir: We must be grateful to Polly Toynbee for letting the cat out of the bag over the real reason for introducing proportional representation ("Defectors have only a walk-on part", 16 September).

Forget all the talk of fairness - it's about getting her pals with "qualifications for running the country" into Parliament. Of course they are too self-important to go "clocking up leafletting hours" - that's for the ordinary folk.

And where are these rarefied souls to be found? Obviously not at local level - certainly they won't have bothered to serve their community on a local council or been active in the local party or as a trade union representative. Her ideal candidate will no doubt be found at chic London dinner parties among the chattering classes.

It is this nauseating elitism that was the rotten core of the SDP, and one of the main reasons why it failed. In reality Alan Howarth, like the vast majority of his new colleagues in the PLP, is a decent and able MP. His cause will not have been served by the rancid support of Polly Toynbee. JOHN F SPILLAR MP  
(Warley West, Labour)  
House of Commons,  
London SW1

### Publicity for Martini

Sir: I am surprised that a newspaper of your quality should play into the hands of the marketing men at Martini ("Any party, anyone, anywhere", 19 September).

Apart from its inherent naiffness, this campaign relies on "stirring up" interest in the media, which they are entitled to do. This type of campaign should be ignored by media and public alike lest others attempt to rile us into noticing their products.

Advertising is becoming more intrusive and irritating and, with our only sanctuary, the BBC, under threat, we should at least make the companies pay to promote their products, not have publicity handed to them on a plate. SIMON BODECOTT  
Kingston upon Hull

### Chained women

Sir: What a sad and sorry day for America, with the creation of its first female chain gang ("Women convicts join chain gang", 20 September).

Most of these women were not hardened criminals, being in mostly for drug possession or prostitution. What new depths will the American right plunge to?

Ms S OWEN  
Haleme,  
Buckinghamshire

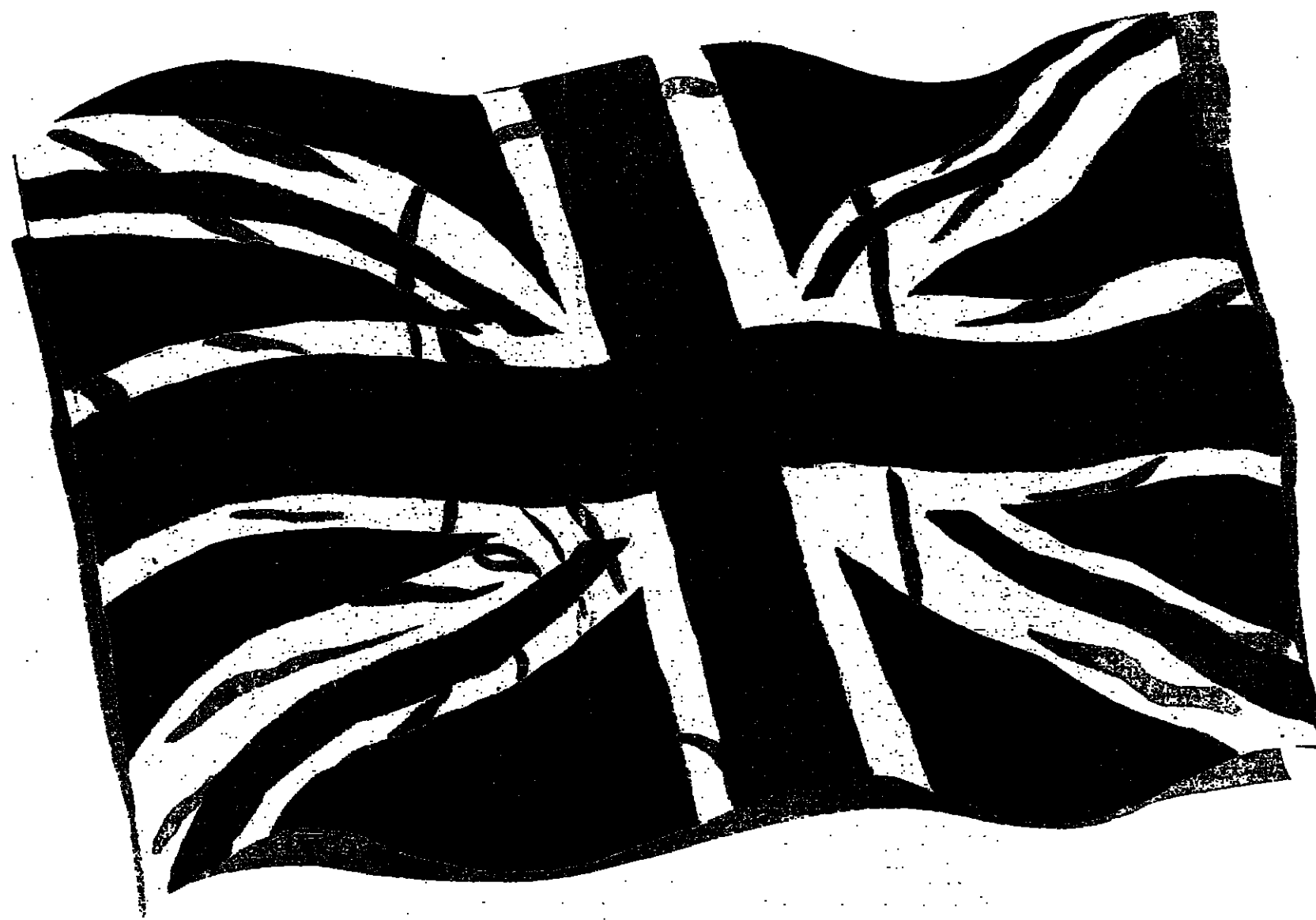
### Immoral benefit

Sir: As an upper- but not top-income-bracket single parent, I had my children's allowance paid directly into a building society account, from which I paid for my daughter's (private) school ski trip ("Labour drops over-16 benefit", 21 September).

Surely I am not alone in thinking that this is not a moral use of VAT paid by pensioners on their fuel bills. GEOFFREY M SAUNDERS  
Dorking  
Surrey



# The nation in a state



Trust in politicians and confidence in our system of government are at an all-time low, according to a major opinion poll out today. And the prospect of a Tony Blair government does not inspire new hope, argue Stuart Weir and Patrick Dunleavy

In the 1950s, when our scepter'd democracy was universally admired, its "great secret" was the deference of the British people. By and large, people were ready to leave politics to the politicians and had confidence in the way they were governed. This was a nation at peace with itself.

Forty years later, the mood of the public is profoundly altered. People no longer have faith in the way they are governed. They distrust government ministers and hold politicians in far greater contempt than they did even a generation ago. And while they now want more power over government policies, they know all too well that they don't possess it and are very pessimistic about their chances of ever obtaining it.

Even Britain's political circles now recognise that there is a crisis of confidence in government, but they largely ascribe it to a popular disillusion with the excesses of Mrs Thatcher's later years, the effects of the recent revelations of "sleaze" in government and Westminster and dismay at the sexual indiscretions of a handful of ministers and MPs. They therefore see popular discontent as a merely transient phenomenon which can be weathered by such palliatives as the Nolan reforms or the Citizen's Charter.

They do perhaps have an inkling of a wider and deeper crisis in confidence. But John Major clearly believes that the

fruits of economic growth will soon re-establish confidence in the morality of Conservative government and Tony Blair apparently thinks it is enough to say "Trust Me".

Both men underestimate the huge scale of popular discontent and contempt. The evidence of a remarkable "State of the Nation" survey of public attitudes about the body politic in Britain, conducted this month by ICM for the *Daily Mirror* and Joseph Rowntree Reform Trust, reveals that most people believe it to be very sick indeed.

The misconduct of MPs, the Scott report's revelations of devious and incompetent ministers and a host of other political scandals and crises – like the BSE scare – have brought about a steep fall in just two years in belief in British democracy itself.

In 1994, nearly three-quarters of people felt that they lived in a "very" or "fairly" democratic country. Two years later, fewer than two-thirds of people believe that Britain is democratic and more than a quarter say it is "not very" or "not at all" democratic.

Both Major and Blair need also to come to terms with a popular contempt for politicians which runs deeper and stronger than either man supposes.

The Nolan Committee's need to carry the politicians along with change has fatally flawed its ability to satisfy the public. The fact is that people are overwhelmingly dissatisfied with the new rules governing MPs' earnings outside Parliament. In par-

ticular, people are clearly outraged by the arguments of MPs like the former Tory minister David Mellor, that they are entitled to keep secret their earnings from private companies and interest groups because they have nothing to do with their role as MPs. By a huge margin – 86 per cent to 8 – they reject such special pleading.

People want their MPs to represent their constituency interests and to ensure that the government is efficient and honest, and to take up individual people's complaints and grievances. They are generally against MPs having any sort of employment outside Parliament.

But the most striking evidence of people's contempt for politicians comes in their responses to five questions first asked a generation ago, in 1973, for Granada Television. They show that the cynicism count has risen to alarming levels.

In 1973, only two-thirds of people were ready to agree that "most politicians will promise anything to get votes"; now 81 per cent of people agree. In 1973, just 39 per cent believed that "politicians are in politics for what they can get out of it"; now a whopping two-thirds of the population hold this view. Belief that politicians care what people think has fallen from 48 to 39 per cent.

This contempt for politicians is, in our view, bound up in a wider distrust in the political system altogether. Take the BSE crisis, which most politicians and commentators believe that the Government has ingeniously turned into a populist issue of European interference and German malevolence. At one level this may be so.

But look deeper and what do you find? We asked ICM's pollsters to inquire whether people trusted government ministers and their advisory committees to tell the truth about the safety of food, nuclear installations, "British beef", medicines and safe sex and Aids. On the first three, there was a resounding "no" from three-quarters or

more of the people asked. Some 60 per cent replied "no" on the safety of medicines and even on safe sex and Aids – where the Government has tried, belatedly, to "tell the truth" people are still broadly sceptical (47 per cent said they did not trust the Government's sexual pronouncements compared with only 41 per cent who did).

There is no sign anywhere, among politicians of all parties (nor among political pundits in the media), of willingness to think through these huge changes in public perception or to think what is now required to restore public faith in the way they are governed.

The two major parties and their MPs believe that they can put their own interests first. After sifting through the evidence, our view is that the first – and most significant – change necessary is to give the public a far greater share in political decision-making. For a deeper, lying dissatisfaction, in part fed by disillusion with politics and politicians, is also at work. In this and previous polls we have found that the great majority of people in Britain want a "great deal" or "fair amount" of power over government policies between elections. But very few people believe they possess any such influence. And more than a third of people now believe that they have no power at all over government policies. This mismatch between expectations and reality is damaging the fabric of democracy in Britain.

Take the greatest of all current issues – the future of the European Union and the single European currency. Here, the public, quite reasonably, feel very pessimistic about their ability to influence events. More people are against the proposal to create a single European currency than favour it – the balance is 43 per cent against, 31 per cent for. A clear majority – of three to one – want a referendum on the issue. But by a majority of four to one, the

public believes that the single currency is none the less likely to come about, whatever their wishes may be and they tend to believe that Britain will finally join (by a majority of 38 per cent to 23). Mind you, even more people still (40 per cent) are simply unsure what will happen.

Unhappy though they may be, the British people are not resigned to their undemocratic fate. The democratic agenda may well have been inspired by Charter 88 and the "chattering classes" but it is a unifying theme among the population as a whole, and especially among people who intend to vote Labour at the next election.

The great majority want greater checks and balances on government power. Some 77 per cent want a freedom of information act, 75 per cent want a bill of rights, and electoral reform is favoured by a massive three-to-one majority. Three-quarters of the public even want – horror of horrors for the political establishment – a written constitution "providing clear legal rules within which government ministers and civil servants are forced to operate".

Apologists for political elitism often argue that people do not know what they are "voting for" when they endorse such reforms. They write off the public's willingness to choose far-reaching reforms as a "knee-jerk" reaction. They point to contradictions in public attitudes (as though they themselves are free of such sins). Our experience of interpreting such polls is that the public is far wiser than it is given credit for being. For example, in the midst of the political controversy over the string of court rulings against Michael Howard (and other ministers), we asked people what their views were on the struggle between ministers and judges. Four out of five people agreed that judges must use their powers "to ensure that ministers act within the law". But when we gave people the chance to agree with Richard Shepherd MP, that judges now provided a more effective check on

government than do MPs, the majority wisely preferred not to advance a view at all on such a delicate judgement.

Not surprisingly, therefore, Labour commands wide approval for its pledges to introduce a bill of rights, a freedom of information act, a referendum on the British voting system and the chance for people in England to have elected regional assemblies of their own. Indeed, the promise of a bill of rights comes second only to Gordon Brown's pledges on job creation and above Labour's promises to control inflation and introduce a minimum wage. But Labour's confusion over devolution in Scotland has almost removed past majorities for both Scottish and Welsh devolution in the country as a whole. Just 40 per cent now approve of Labour's plans for an Edinburgh parliament and a mere third believe that it will actually happen.

This loss of confidence is undoubtedly due to Labour's mishandling of the issue, for overall the survey reveals a strong wish for a lot more dispersal of power in Britain. Nearly two-thirds of people believe that "government power" is too centralised and there are clear majorities for the view that regional assemblies or local councils should play a key role in developing major roads, initiating transport projects, cleaning up rivers and beaches, attracting new investment and generating jobs.

A lot, therefore, is riding on the ability and political will of a future Labour government to fulfil its promise to deliver such change. Yet, not unreasonably, after the cover ups and U-turns on devolution to an Edinburgh parliament, people tend to be sceptical about Labour carrying out its other promises on democratic reform. True, nearly all the people who want a bill of rights believe Labour will deliver. But nearly as many people doubt that Labour will give them free-

dom of information as expect it to come about; and while two-thirds approve the idea of a referendum on voting reform, only a third expect it to be honoured; and more are confident that it won't happen.

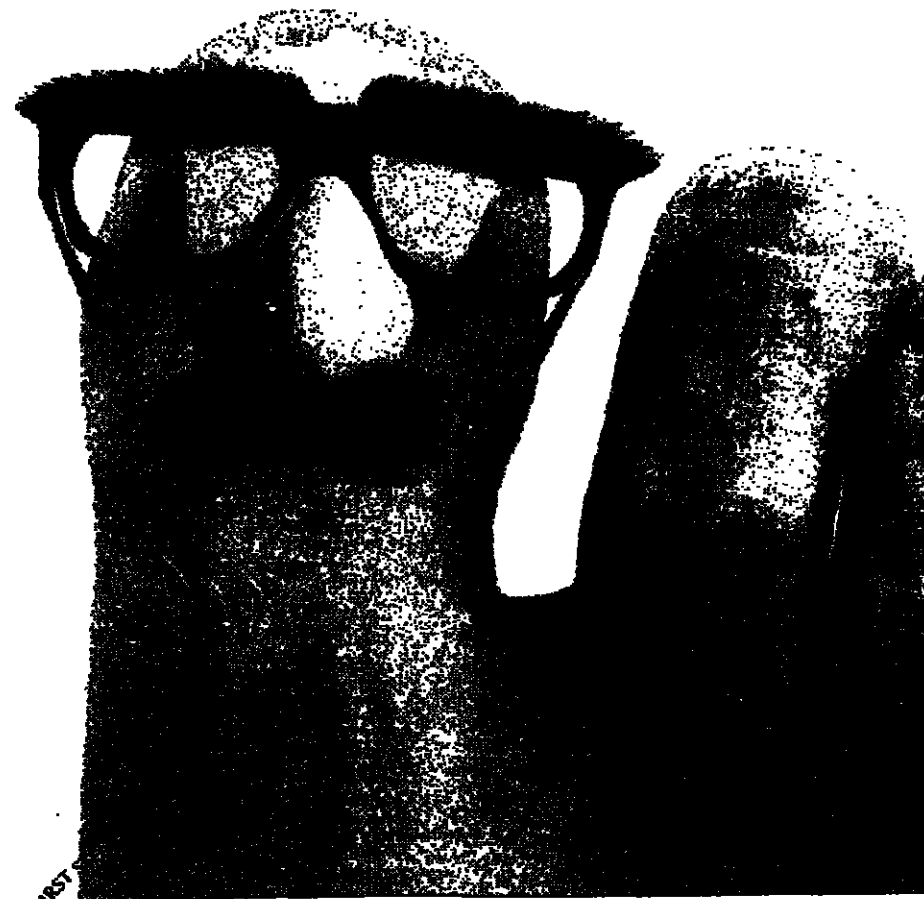
So Tony Blair's exhortation to trust him is not working. And if he gets in and does not deliver, the long-term consequences could be more far-reaching than politicians and commentators might imagine.

Of course, the crisis of faith in Britain's system of governance is part of a world-wide trend evident since the so-called triumph of democracy after the collapse of communism in 1989. There is evidence everywhere of a loss of trust in political institutions and politicians. There is also evidence throughout the world – from Bosnia to India and even Belgium – of what happens when people lose faith in democracy and its ability to protect minorities against the intolerance of a frustrated and disenfranchised majority. The downturn in economic progress and the dominance of neo-liberal economic policies through the world have also played a significant part in this general onset of disillusion. And it is arguable that the immediate post-war period of political contentment in the West was probably atypical.

But it is equally unarguable that the crisis of faith in Britain is unique in significant respects. If so, and we are to restore confidence in British politicians, we must change the system within which they operate, and admit the public into that system.

Patrick Dunleavy is Professor of Government at the London School of Economics and Stuart Weir is director of the Democratic Audit, University of Essex. This is the third major Rowntree "State of the Nation" poll since 1991. ICM interviewed a tightly controlled quota sample of 1,000 respondents in their own homes between 10 and 13 September. At the analysis stage the results were weighted to the exact profile of all adults.

## There's no disguising problem toenails



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**FREEPHONE 0800 200 210**

## A PR job on God Almighty? No way ...



Miles Kingston

I made one of my occasional trips to London the other day and was delighted to bump into my old friend Adrian Wardour-Street, the doyen of public relations operators.

"Or is Max Clifford the doyen of PR men these days?" I asked him mischievously, as he dragged me into a coffee bar for a strong espresso.

"I have no idea," said Adrian. "Personally, I wouldn't use the word 'doyen'. I never use words which the British public cannot pronounce and do not know the meaning of. Call me the crown prince of

British PR. Call me the vizier of British PR. Call me the Lord High Executioner, the court jester or even the burly middle-aged sweeper of British PR, but not the doyen. I looked it up once in a French dictionary. It means 'dean'.

Who wants to be called the dean of British PR, or, indeed, the dean of anything?"

"A dean might," I suggested. "The Doyen of St Paul's, for instance?"

"Don't talk to me about churchmen," growled Adrian. "I've had churchmen up to here."

Such vehemence seemed out of character in my old friend, who was normally suave and self-assured. "It's this celibacy business. They're in a right old tizzy about these Catholic bishops who turn out to have mistresses and children."

"So what do the Catholic Church want you to do about it?"

"Get them off the hook, that's all," said Adrian. "They

know I'm a great damage limitation fellow. Look at all the rumours about Ted Heath's love life, for instance."

"I've never heard any such rumours, Adrian."

"Of course you haven't, dear boy. Thank Uncle Adrian for that. But this Bishop of Argyll business ..."

A deep and sorrowful frown came across his face, like clouds spilling across England from the west.

"They came to me and said, 'Adrian, we're in big trouble here in the Catholic Church because we have nowhere that naughty bishops can go to and pour out their troubles.' 'Hold on,' I said, 'I thought that's why you invented the confessional.' 'No, no,' they said, 'that was invented so priests could learn the facts of life.'"

"So I said I'd have a quick look into it, and they said not to take too long because at this rate there'd be cardinals coming on the scene with secret children, and then there'd be some huge damage limitation. 'And don't forget,' they told me, 'that we have somehow got to restore the image of celibacy. Jesus was celibate. We priests model ourselves on him. That must stay the same.'"

"Anyway, I bought a copy of the Bible and I had a look into this Catholic business and briefed myself on it, and called them back again. I looked at them very seriously and said: 'Gentlemen, you must prepare yourselves for a shock. I think celibacy is about to be blown out of the window. Jesus may well have been a celibate, yes, but it didn't run in the family. You didn't tell me about that.'"

"They looked at me. They looked at each other. 'What do you mean?' they asked. 'I mean,' I said, 'Jesus may have been a goody goody, but it's more than you can say for his Father. You never told me that God the father did exactly the same as the Bishop of Argyll. God had a secret love child, and his name was Jesus.'"

"You should have heard the stunned silence then."

"Think about it," I said. "Mary was never consulted by God about becoming pregnant. He just got her with child. Nor did God have the courage to come and tell her himself that she was in the heavenly family way, but sent an angel instead to spill the beans. Correct me if I am wrong, but God the Father

didn't provide much in the way of maintenance while Jesus was growing up, and didn't show up in the family home much. Nor was he around much in Jesus's last days. Believe me, gents, there seems little to choose between the Bishop of Argyll and dear old God the Father! The Bishop is following a very strong Biblical tradition indeed."

There was a silence. "And then?" I asked.

"Then they said it was not my job to rewrite Christian history in newspaper headline terms, and I said, 'Listen, cardinals, sweeties, if you can find a PR firm willing to represent God, I'll be the most surprised man in the UK! We sometimes have to look after some dodgy clients, but if half of what the Bible says is true, then God is not a person I would ever want to handle. Take your business elsewhere and stay elsewhere.'"

There was another silence. "Don't maul this in your column, will you?" said Adrian. "If it got around that I was letting morality govern my conduct, I'd never live it down."

"Promise," I said.



## The stock market and its manifest absurdities

A respected manager of pension funds in the City says that stock markets in this country and in the US may be displaying the most serious over-valuation of assets this century.

So Tony Dye, the professional investor who holds this view, arranges the £51bn he manages in cautious fashion. Only 64 per cent of the assets for which he is responsible are held in equities compared with 80 per cent normally; 14 per cent of his pension funds are in cash. This is what you do in the stock market when you expect a fierce storm to blow.

If there were to be a big crash it would be more serious than at any time since the war, because private investors on both sides of the Atlantic have more at stake than used to be the case. In Britain successive privatisations of state-owned companies have increased the number of private investors. The move to portable pension funds has had the same effect; these may be managed professionally but they feel more personal than membership of a company pension scheme. Likewise, savers have put substantial sums into unit trusts in recent years. Thus a sharp decline in stock market prices would make many people poorer and would have the same dampening effect on consumer confidence as a decline in house prices.

A crash would also have political consequences. It would make it almost impossible for the Conservatives to persuade the electorate that they had managed the economy well.

Markets collapse either to correct a great absurdity or to register a great shock. At a certain point in the late Eighties house prices began to appear absurdly high in relation to average salaries; people used to look at the valuation of their own homes and say that they were glad they had bought them some years earlier because they could not have afforded them today. That was absurd and eventually prices declined. And in all markets, whether of pictures, metals, gold, houses or shares, there is a mechanism which produces periodic over-valuation or under-valuation. Greed makes people buy because prices have fallen and for no other reason. At the top or the bottom, some news event turns away the last optimist or the last pessimist and the correction begins. In stock markets this signal is classically a change in interest rates. This is why professional investors are watching the Federal Reserve Bank in New York so intently; later this week it may push up interest rates for the first time after a long decline.

Under the heading of great shocks come such events as outbreaks of war – the Vietnam War, for instance, ended a 20-year period in which all foreign exchange rates



Andreas Whittam Smith

A minor correction is probable. But should one be hoarding food in one's garage?

had been tied to the dollar – or wild swings in commodity prices such as oil, or natural disasters. The Kobe earthquake left a dent in Japanese share prices.

I do not see a manifest absurdity in share valuations either in London or New York. Certainly there has been a long rise in share prices in both market-places and ratings are high. A minor correction is probable. But on the primary test of "what returns do shares provide?" there is nothing untoward. The average dividend on UK stocks is 3.75 per cent; and if companies were to distribute to their shareholders all their profits and plough nothing back, then this return would rise to 6 per cent. In the context of a growing company and subdued inflation, there is optimism here but no danger signal, no amber or red lights flashing.

The pessimists, however, have been examining a much more sophisticated valuation system, and its results scare them. It is called Tobin's "q" and it compares what it would cost today to replace companies' stock market valuation. On this basis, looking right back to 1920, stock market ratings have hardly ever been higher.

In other words, investors are valuing factories much more expensively on the stock exchange than it actually costs to erect them. Physical assets are no longer much of a guide. Successful companies are often people and computer screens; and their value may be in their brand names. It would be impossible to calculate Microsoft's replacement value.

Mr Dye is 48 and says that anyone over 40, having been through several stock market cycles, has to be pretty cautious about what is going on. If Mr Dye were ten years older still, he would have been through the only big stock market crash this country has experienced since the war. Between the summer of 1973 and the winter of 1974, the stock market fell all the way back to levels last seen in the Thirties. The least of the causes was the correction of a previous over-valuation. Much more serious were external shocks such as a doubling of the price of oil, a banking crisis and the return of a Labour government that legislated to hold down prices and dividends.

Many boards of directors thought their companies were on the way to bankruptcy. There were crippling strikes and hints of civil unrest in the air. In the City there was galloping humour: should one be hoarding tinned food in one's garage? That was a real bear market. Today's concerns, with or without Tobin's "q" are minor by comparison. All of which may yet leave Mr Dye exceedingly embarrassed and the pensioners whose money he controls rather unhappy.

## Stop Murdoch now or forget it

By Polly Toynbee

For all the hot air and passion, most things in politics are not final: they can be reversed. But something is about to happen that will effect us and our children in perpetuity, changing the culture of British broadcasting forever.

This is a desperately urgent matter for there may only be a month or two left before it is too late – and yet no one is talking about it. Rupert Murdoch is about to seize control of the entire future of broadcasting. But where is the outcry in Parliament? Where the nightly debates on television? Where the crowds of protesters?

A particularly nasty political conspiracy, helped by an almost impenetrably complex new technology, has kept the public in ignorance. Say the words "digital broadcasting" and people sigh with incomprehension or shudder with future shock. But it is time to grasp the facts.

With the knowing (yet deniable) connivance of both Labour and Conservatives, Rupert Murdoch is about to snatch control of British television from under our noses like the most brilliant of master burglars. Armed with every device to switch off alarms and soothe the watchdogs, he is pulling off the greatest broadcasting heist of all time. He is within a whisker of controlling virtually everything – and the deed will be done by Christmas unless we stop him now.

The trouble is that when anyone tries to explain all this, it gives people brainache. Explaining it to you in comprehensible terms will not be easy. The editor of these pages said glumly, "Oh God, you're not going to use the word 'transponder', are you?" I will try not to, so please stay the course – this is vitally important. Here we go:

In October 1997 BSkyB will launch its new digital service. Those who buy a new box to sit on top of their television sets (price around £200) will gain access to some 150 channels. What's more, they will get interactive services so they can shop, bank, call up films or archive programmes, book tickets or join in game shows. Television will never be the same again.

Any Luddites out there who may bleat, "But why do we want this stuff, haven't we got enough already?" will go the way of those who doubted we needed colour TV. We may not need all this but we are going to get it and when we have got it we won't be able to do without it. That is the ineluctable nature of progress. And this is not in some far distant future. This is *now*.



Unless he is tackled within months, the monster created by the main parties will snatch total control of British television

Murdoch is, as ever, two or three years ahead of everyone else. He has already called for bids from manufacturers to make his magic digital boxes. By next year, *within months*, they will start rolling off production lines – aiming to supply at least 30 per cent of the population within five years.

Once a huge number of households have the Murdoch box, receiving all Sky's digital services, plus the usual terrestrial channels 1-5, it is thought by market analysts extremely unlikely that many people will want to buy a second incompatible box with which to receive a competing set of digital services on terrestrial television including whatever BBC, ITV and Channel 4 also want to offer. It would be hard to raise investment cap-

ital for such a risky venture, remembering the failure of the Betamax video system once VHS gained market dominance.

Terrestrial broadcasters – BBC and ITV channels 1-5 – have no choice but to compete in this new digital world or they will face eventual obliteration. But, unless immediate action is taken, the only way BBC and ITV will be able to enter it is on bended knees to Murdoch, at his mercy. He will control how much space and on what channels the terrestrials can enter his digital box. BBC1 could be on channel 322 if he chooses.

Most important of all, he can fix the price he charges ITV or the BBC. Ofel is there to regulate fair trading, as laid down by an EU directive, but what "fair" means is exceedingly flexible. It

will take more than the wits of Ofel to detect exactly how Murdoch has accounted the costs of his operations and how much he has loaded onto the declared cost of running the system.

There is still a month or two in which to stop this. But it requires public outcry and the shaming of our politicians who are all contaminated by what they have done so far. Fear of Murdoch's power to sway the voters in the run-up to the election through the pages of *The Times*, *The Sunday Times*, *The Sun* and the *News of the World* has rendered both parties silently acquiescent. Murdoch is a monster created entirely by the Baron Frankenstein of the main political parties. Pusillanimous and self-interested, they have allowed him monopolistic con-

trol of a colossal slice of our media to the serious detriment of democracy and the quality of journalism. Now they are about to hand him the biggest prize of all. His acquisition of the newspapers has made sure he can silence all opposition as he snatches these ultimate crown jewels.

How can he be stopped? Murdoch owns the patent on the technology to his own digital system. He should be forced to franchise out that technology at a reasonable rate, so that other manufacturers, independent of Sky, can make a single box to act as gateway to all services, just as one TV set receives all terrestrial channels. There is no doubt that consumers would want one box that will offer every service. This is fair trading. Never has the principle of preventing unfair monopoly been clearer.

But Murdoch is just about to sign contracts with manufacturers of his box. As soon as his ink is on the paper, there will be no going back. The manufacturers will hurry ahead to make his boxes and the game will be over. None of this has happened by accident. When the Broadcasting Bill was going through Parliament, Labour members on the standing committee agreed to prevent Murdoch getting total control. But when it came to the floor of the House, mysteriously this opposition had evaporated. They may make excuses about other slightly different amendments they preferred etc. But the harsh truth is that both parties let the bill pass without denying Murdoch his monopoly.

They will all murmur now that this is better dealt with in technical regulations laid down by the Department of Trade and Industry. Both parties nodded sagely and agreed this course of inaction. The DTT is consulting fully and widely. So fully and widely that, having promised its report by September, it has decided to consult again, produce another draft, consult on that too, and if the timetable does not conveniently slip again, it may get into the Commons by November. But then it will be 40 days before it takes effect – by which time it will be academic. Murdoch will have signed his contracts and it will be too late.

No one party, no one politician will be to blame. Conveniently they will all claim clean hands – or equally dirty ones. By the time the election is over, the future of broadcasting will have been in effect cast in concrete, so even if Labour were to win and to decide (unlikely) to challenge the Murdoch monopoly, it will be far too late.

CONTINUING OUR SERIES ON THE PEOPLE JOCKEYING FOR INFLUENCE AND STATUS IN THE LATE NINETIES

Tomorrow evening at 5pm at the Royal Opera House, Covent Garden, Lord Gummer, the new chairman of the board of directors, chairs his first monthly board meeting.

For John Gummer's younger brother, head of Shandwick, the world's biggest public relations company, it's all happening at once: elevation to the peerage, the appointment to run the Tories' election campaign, an *Observer* profile by Lynn Barber... but of all these proofs of power and esteem, the Covent Garden job is the most potent.

The House's board has been seen as the pinnacle of the Establishment for as long as the term has been in circulation. David Mellor said, "I never believed the British Establishment existed until I became a minister and started going to dinner parties where I'd be lobbied about the Royal Opera House." Sir Claus Moser, the mathematician who became chairman in 1974, explained what it meant to enter what Ian Macleod, in a different context, called "the magic circle". "Until I became Chairman of the Royal Opera House I had never, but never, met anybody royal: now I was entertaining them month after month. When I was a frequent visitor to Covent Garden, or even on the board, some people would barely speak to me. Yet literally the day after my appointment as Chairman was announced, a very distinguished woman who had previously been dead, rang up, to tell me she was going to spend the weekend with them in Scotland. From that moment onwards I saw a totally new layer of British life... That is the British Establishment."

In speculating about a putative new Establishment, one runs up against the fact that an Establishment is by its very nature old. Unless it is flushed from the national system by bloody revolution (a glorious one won't suffice), the Establishment cannot be supplanted: it can only be added to or subverted from.

And perhaps peculiarly in the British case, where the ruling class has had 930 years to refine the arts of survival, it is much harder to marginalise than people fondly imagine. It has, for example, a genius for co-opting those who might prove inimical to it. "The Establishment... has never been exclusive," AJP Taylor wrote in the *New Statesman* in 1953, "rather drawing in from recruits from outside, as soon as they are ready to conform to its standards and become respectable. There is nothing more agreeable in life than to make peace with the Establishment – and nothing more corrupting."

The composition of the board of directors of the House over the past 17 years shows the Establishment's genius for adapting to survive. In 1979, when Sir Claus was still chairman, there was a handful of classic English figures on the board, such as Lord (Mark) Bonham Carter, grandson of the prime minister Asquith, and son of the "divine" Lady Violet Bonham Carter, who



THE NEW ESTABLISHMENT Day six

## The Royal Opera House

Of all proofs of power and esteem, the chairmanship of Covent Garden is the most potent.

By Peter Popham

was ubiquitous among the great and good for decades. But such men were more than balanced by brilliant Jewish émigrés: Sir Claus himself, the philosopher Sir Isaiah Berlin, the banker and Labour peer Lord Kinnaird, and the master operator of the age, Lord Goodman, chairman of the Arts Council and Wilsonian troubleshooter.

By the mid-Eighties, the Jewish intelligentsia was on the way out and the proportion of Thatcherite corporate meritocrats was climbing: a fly on the wall would have had a duller time of it as the age of the new philistines unfolded.

But if the businessmen brought superior number-crunching skills to the top table, it is doubtful whether the underlying elitist assumptions within Covent Garden about the vital role of monstrously expensive, vastly subsidised opera for the cultural health of the nation were modified at all. The Establishment ethos prevailed.

Spooling forward to the present, one finds a board that has never regained the intellectual wealth jeffersoned in the Eighties – today, Bamber Gascoigne is about as brainy as it gets. The most splashily political director is undoubtedly Bob Gavron (pictured above), who was wheeled out by the Labour Party last weekend when he announced his gift of £500,000, saying, "the days when the Tories were automatically the party of business are over."

Gavron, a barrister turned millionaire printing magnate who claims to have supported Labour all his life, is the perfect

example of new Labour and old Establishment meeting and mating.

He has the robust acceptance of Thatcher's achievements – "When Thatcher came in she did what Labour should have done," he says – but his thoroughly wet, paternalistic view of political obligation could have come from the lips of any of the wets whom Thatcher ousted: "The Government's priority," he says, "should be to look after the people who can't look after themselves."

Whether defined by birth, brains or money, the House's board still represents a rarefied collection of people. There's only one exception: Chris Lowe, headmaster of a comprehensive school in Peterborough, who roars with laughter at the thought that he is *de facto* a member of the Establishment.

An opera nut who discovered his passion while doing National Service in Germany, and who has been infusing his students with it ever since, Lowe was brought on to the board in 1992, in a democratising spasm, to work for the House's increased accessibility. Thus not only is he a genuinely new sort of voice in the place, but his mission is new, as well.

In politics, however, it turns out that Chris Lowe is the ultimate floater. "I have absolutely no political affiliation," he says. "I've voted for all three of them in my time." Lowe may be the authentically new face of the Establishment – but he will be of precious little use to Tony Blair.

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# James Gulliver

James Gerald Gulliver was an outstanding entrepreneur. He built three businesses and made himself millions in the process before in 1985 launching the bid for the drinks company Distillers which, for most people, became the defining issue of his life.

He was a man of great ability. Born in 1930 in Cambeltown, Strathclyde, he studied at Glasgow University where he was awarded a First class honours degree in Mathematics and Engineering together with a gold medal. His former tutor Professor Hugh Sutherland described him as one of the most outstanding pupils he had known.

At the time, the £1.9 billion bid for Distillers by Gulliver's company Argyl was the biggest ever in British history. Distillers was the central pillar of the Scottish commercial establishment and Gulliver tracked it for two years before launching his attack. His analysis revealed that it was both undervalued and very poorly managed.

Eventually Gulliver lost Distillers to Guinness, who engaged in wholesale cheating for which three people went to prison. Gulliver died believing that some of the most guilty people had escaped unpunished.

Subsequently great reputations were forged on the avil of Gulliver's brilliance in isolating what is still regarded by many in the City as the deal of the century.

The Distillers bid motivated him for many reasons. It had scale, status and vast potential for profit but, most of all, Distillers was Scottish.

Gulliver had an ambition which ranked high alongside his desire to produce value for Argyl's shareholders and that was to build an energetic world-class company in Edinburgh. By creating such a centre of energy,

he believed that he would be able to play an important part in generating an infrastructure which would relieve talented people like himself of the need to seek their fortunes outside Scotland.

Despite all his previous achievements, Gulliver approached the Distillers bid with a caution which reflected his inner awe at his temerity in taking on such an icon of the Scottish establishment complete with its estates and loyalities forged over decades in country houses and on company-owned grouse moors.

For advice he turned to bankers who reinforced his private insecurities when they told him that he needed the support of an establishment industry figure if he was to succeed. Acting upon their advice, Gulliver permitted an approach to Lord Westminster of GEC. It was a mistake which began a chain of events that eventually cost him Distillers.

Having put forward the suggestion that Westminster should sponsor the transaction by taking a percentage, Gulliver was unable to obtain a formal response for some three weeks. He was told that Westminster was at a music festival in Germany and could not be disturbed. In the meantime, the Distillers share price rose on rumours which leaked with usual City ferocity to a point at which Gulliver began to reconsider his position.

At that moment, he was approached by a journalist who asked him about the rumours. Using carefully selected words, and acting again on legal and other professional advice, Gulliver told the journalist it was not his "present intention to bid".

Accurately, his advisers had told him that, on the basis of precedence, such a statement would put him in baulk for

three weeks. He was told that at the end of that time, he would be free to bid, having re-evaluated his position.

But the Takeover Panel took a different view and under the then Director General, Tim Barker, it imposed a three-month ban. During that enforced lacuna, Ernest Saunders of Guinness made his preparations and later launched the attack which eventually won.

The overall performance of the Takeover Panel during the bid badly dented Gulliver's regard for City self-regulation. As a man with a great regard for authority and tradition, he was disappointed when, by coincidence, Tim Barker left his job at the Panel the very week-end to join his old bank, Kleinwort Benson, who were Distiller's advisers.

Neither Gulliver nor anyone else cast doubt upon Barker's integrity but Gulliver took the view that a system which allowed such things to happen could not be a good one. He also believed that the Panel refused to recognise the obvious manipulation of the Guinness share price when it was perfectly clear - and was drawn to the Panel's attention - that the share price was simply levitating. He deemed it confirmation of his view that self-regulation had failed when it took Department of Trade inspectors to discover what had really been going on.

It may be that Gulliver had started to lose his appetite for business well before he launched his bid. Subsequently he became involved in a number of public company ventures but he could never again generate the enthusiasm required and they did not succeed.

His private ventures fared better. His Lords of the Manor Hotel in the Cotswolds, with its



Gulliver: the birth of modern supermarket retailing

Michelin star, is recognised as one of the finest country hotels in the UK, and his two farms at Pitlochrie in the County of Fife are fanatically neat models of their kind.

But if Distillers was Gulliver's final big commercial bid, his opening scene was Fine Fare, a subsidiary of Associated British Foods, which he joined following a short-service commission in the Royal Navy and four years with management consultants Urwick Orr.

At Fine Fare he was appointed manager of a shoplifting subsidiary which he turned round with such brisk efficiency that he came to the attention of Associated British Food's

chairman Garfield Weston.

Bringing his capacity for analysis and detail to bear, he became chairman of Fine Fare and worked closely with people such as Kenneth Gill of the advertising agency Garland, Compton to introduce mass media advertising. He also brought in information technology at an early stage. His introduction of scientific management techniques represented an innovation in retailing management at Fine Fare which was complemented by Jack Cohen's seat-of-the-pants approach at Tesco. Together these two very different men laid down the ground rules for modern supermarket retailing.

Derek Hunt, who founded MFI, and Louis Sherwood of HVT passed through, but when Gulliver moved on, Martin Sorrell, an original Associate, stayed with Saatchi as finance

Gulliver spent seven years with Fine Fare, turning the ailing business into one of the UK's top three supermarket operators. He parted company with Weston in 1977 because he felt that his contribution was not properly rewarded and that Fine Fare did not give him scope for his talents. That year he was given The Guardian Young Businessman of the Year Award for his work at Fine Fare. It was the accolade of which he was most proud.

It was then, aged 42, that he joined with Alistair Grant, aged 36, who he had recruited at Fine Fare to handle marketing, and David Webster, aged 28, a quiet but innovative merchant banker. With Gulliver automatically in the lead, the trio of Scots bought Oriel Foods, a small edible oil processor. Together they lifted sales ten-fold to £140 million and sold out two years later to RCA of America for £11 million, netting Gulliver his first £1 million.

In 1977, he set up James Gulliver Associates in offices at the advertising agents Saatchi & Saatchi which were loaned through his old friend from the Fine Fare days, Kenneth Gill, who was then the Saatchi chairman.

James Gulliver Associates became a kindergarten for a number of successful entrepreneurs. Among them Philip Jefferies was an early personal assistant to Gulliver. Jefferies went on to make a substantial fortune by rationalising large chunks of the UK paint industry and through the Fads decorating business. He says that Gulliver taught him more about business than anyone he had ever met.

Derek Hunt, who founded MFI, and Louis Sherwood of HVT passed through, but when Gulliver moved on, Martin Sorrell, an original Associate, stayed with Saatchi as finance

director and then went on to build his tiny company WPP into the world's largest advertising group.

The City soon sat up, and began to take notice of this very unusual and fast-moving entrepreneur. In short order Gulliver and his team acquired 21 companies, including Oriel Foods which he had bought back from RCA, and the Louis C. Edwards meat business in Manchester, bought at a bargain price and carrying with it a 16 per cent interest stake in Manchester United together with a role as vice president of the Club. That stake was sold in 1986 but Gulliver, who had become an ardent Manchester United fan, held on to the privilege of two seats in the Directors' box for his personal use.

In 1982 when Sir James Goldsmith withdrew from the British market, Gulliver bought his Allied Supplies grocery chain for £104 million. He then merged Allied with the ADP distilling and off-licence company in a £250 million deal to form the Argyl Group.

He had the knack of being able to select brilliant young entrepreneurs to work for him. He drove them hard, working a six-day week and then starting at 9am on Sunday morning at his house in Hertfordshire on the details of the next acquisition.

One of his colleagues observed that most people think in terms of one per cent. Fewer think of half a per cent. Gulliver surprised his victims by asking for a quarter or even one eighth per cent discount and he almost always got it. That eye for detail stood him and his shareholders in good stead as Argyl's turnover rose towards £2 billion.

He had an irrepressible sense of fun. But, although irreverent in his approach to some aspects of life, he valued establishment recognition. His Glasgow gold

medal and his recent CVO were displayed in the drawing room of his fine manse in Edinburgh's Herriot Row.

A man with many friends and a staunch Tory throughout his life, he enjoyed the company of John Smith, the former Labour Leader of the Opposition. Once, at a party at Gulliver's house, Smith quietly pocketed the massive Glasgow gold medal which Gulliver displayed with such pride. He meant to replace it almost immediately but unfortunately in the mêlée, Gulliver didn't notice it had gone and Smith forgot to return it. It wasn't until the next day, in different parts of Edinburgh, that Gulliver walked into his drawing room to discover the medal had gone at the same moment as John Smith realised with horror that he still had it in his jacket pocket. While Gulliver was looking around for the medal, the telephone rang and he answered it to find Smith laughing on the other end. He used to carry Smith's subsequent letter of apology on House of Commons notepaper which he often showed people when telling the tale.

Although Distillers was a blow from which Gulliver never recovered, the following year Argyl bought the UK arm of Safeway from its American parent for £691 million. Safeway and the birth of modern supermarket retailing is Gulliver's real commercial epitaph, not the loss of Distillers.

Brian Basham

James Gerald Gulliver, businessman: born Cambeltown, Strathclyde 17 August 1930; CVO 1996; married 1958 Margaret Joan Cornack (marriage dissolved; three sons, two daughters); 1977 Joanne Sims (marriage dissolved); 1985 Margorie Moncrieff (marriage dissolved); 1993 Melanie Crossley; died Edinburgh 12 September 1996.



The ultimate compassionate diet: Crone embraced 'the Eden Diet' of fruitarianism, where only fruits, nuts and seeds are eaten

## Wilfred Crone

Wilfred Crone was often seen as one of the great British ecologists, as he was a virulent promoter of the prehistoric fruitarian diet. He was one of a small minority that have existed throughout history around the world, but played an important part in a growing movement that is gaining increasing popularity, advocating a diet that encompasses personal health as well as the sustainable conservation of the planet.

Greatly loved and respected by those who embrace the reasoning of such food choices, he was however also widely mocked by those whom he saw as ignorant of the full scientific and ethical basis of his chosen life-style.

He was raised in Newcastle, one of a family of 12 children with an alcoholic father; and his experiences of a violent background, alongside witnessing the ravages of terminal cancer in his father and amongst his siblings, gave rise to a strong conviction that a diet based on death and the killing of animals had direct consequences on health and behaviour.

Aged 19, he set sail for Australia under a government scheme to relieve unemployment

in the North-East. Here he witnessed further hardship and as a farm worker saw great cruelty to the animals. This helped his decision in 1948 to become a vegetarian and then to veganism (a diet that excludes all animal products such as meat, dairy products, fish, and so on).

In the following years he embraced more fully what he termed "the Eden Diet" of fruitarianism where only raw fruits, nuts and seeds are eaten, which he felt was the ultimate compassionate diet; it does not even demand killing the plant for food. He chose not to cook his vegan fare, as heat destroys most of the enzymes, antioxidants and other vital life-giving vitamins and basic components of optimum nutrition.

Crone was a realist, though, and understood well human weaknesses. He always encouraged others not to take the diet too extremely and to include other vegan foods at times, especially at first, making changes very slowly. He himself ate in excess of 90 per cent raw fruits and nuts and for the last 15 years publicised the diet by distributing leaflets detailing his experiences and ideas, from

his home town of Christchurch and in the surrounding areas. In his later years he chose not to travel great distances, but much preferred only to use his bicycle that he continued to pedal until his death.

In the winter of 1991/92 he encouraged me, a young mother of two who had recently chosen a raw food vegan diet, to continue publicising fruitarianism and to relieve him of the responsibilities of this work. The resulting information network, Fruitarian and Raw Energy Support and Help (the Fresh Network), was able further to expand the publicity of a whole range of raw food diets and consequently to reach a far greater number of people. This gave him more time to spend with his friends and his treasured, highly productive garden of fruit trees and bushes.

He was never one to complain about the hardships of seeing those close to him suffer, age and die from diseases he felt were so easily preventable through changes in diet. He kept his jovial sense of humour even though he was also often ridiculed for following what some termed as an extreme and dangerous diet - despite the scientific data he encouraged such critics to study.

Opponents often claim that the fruitarian diet is nutritionally incomplete, and yet on close scrutiny the standard nutritional tables show that raw fruits and vegetables contain all the essential minerals, vitamins, proteins, essential fatty acids and carbohydrates needed even by growing children. Nutritional deficiencies tend to occur when people have an enzyme-depleted diet (most enzymes are destroyed when food is cooked), or if their digestive system is weakened by a lifetime of inappropriate cooked foods. Gradual healing can take place if there is a slow increase in the proportion of mineral-rich raw vegetables and fruits in daily meals so that the body gently cleanses and repairs (this can take many years).

Wilfred Crone chose to remain a bachelor, as he once jokingly said, "in case a vegetarian wife should wish to revert to meat-eating, and a chap has to eat what his wife cooks!"

Susie Miller

Wilfred Crone, fruitarian: born 1909; died Christchurch, Dorset 17 August 1996.

## Joe Martin

Joe Martin's role in sporting history can be crystallised by the moment he calmed an angry, weeping 12-year-old named Cassius Marcellus Clay in a basement boxing gym in Louisville, Kentucky, in 1954.

Clay had sheltered from the rain with his friend Johnny Willis at an annual bazaar run by and for the black community called the "Louisville Home Show" at the Columbia Auditorium. When he came out several hours later, with his belly full of free popcorn and hot dogs, he found his brand new red and white bike had been stolen. When somebody told him the nearest policeman was in the basement he raced down to register the crime.

In his mid-1970s autobiography *The Greatest*, Muhammad

Ali - as Clay had then become - remembered: "The sights and the sounds and the smell of the boxing gym excited me so much that I almost forgot about the bike. There were about ten boxers, some hitting the speed bag, some in the ring sparring, some jumping rope. I stood there, smelling the sweat and the rubbing alcohol, and a feeling of awe came over me."

He left with an application form to join the boxing club, but the dressing-down he received with his father over the lost bike made him want to forget about the whole day. Only when he watched television the following weekend and saw Martin again, working the corner of his amateurs on a show called *Tomorrow's Champions* did he decide that boxing would be his sport.

To Martin, who had run his gym since 1938, he was just another kid off the street who needed to learn the basic moves. Martin was more social worker than boxing technician. He loved taking kids, black and white, off the streets and giving them a purpose to each day. But his ability as a coach was limited.

"Martin knew a little," said Ali. "He could show me how to place my feet and how to throw a right cross. But he knew very little else." The teenager stayed on *Tomorrow's Champions* and paid \$4 a fight - what price the amateur code! Nevertheless, he knew he needed more than the well-meaning policeman could give him.

Against strict instructions, he also worked at a gym run in the poor east end of Louisville

by an old black trainer named Fred Stoner. And it was Stoner who taught him the techniques he needed to learn to look after himself. After spending two hours at Martin's club he would walk over to join Stoner, whose gym was open every night from eight until midnight.

Martin remained an influential and genuinely caring figure. When the boy's fear of flying made him want to withdraw from the Rome Olympic Games in 1960, where he went on to win the light-heavyweight gold medal, it was Martin who spent more than two hours in Louisville's Central Park persuading him to conquer the doubts and catch the plane.

It was as Clay neared his inevitable switch to the professional ranks that the relationship disintegrated. Martin once

knocked on the door of the family home with a managerial contract. But Clay's father, Cassius Sr, angrily turned him away when he read that the deal would pay only \$75 a week for 10 years. Allegedly, he shouted at Martin: "The slave trade is over!"

Then Martin attempted to help a local millionaire, William Reynolds, sign him. This time Clay Sr was in favour, simply because it was the best offer on the table.

When the new gold medalist returned to the United States, Martin met him at New York airport with a Reynolds employee, who settled them in the business tycoon's permanent suite in the Waldorf-Astoria. Clay was shown around New York, taken shopping and fed as much as he could eat. He had already been working as a mem-

ber of Reynolds' household staff, and yet when it came to signing on the dotted line the 18-year-old followed his gut reaction and refused.

Instead he signed - for slightly less money - with a group of 11 white Louisville millionaires. Then he took on the services of a Miami trainer, Angelo Dundee, and Joe Martin was out of the picture for ever. Next day, Reynolds, his place in the story of one of the greatest athletes in sporting history was secure. In 1977, Martin, a police officer for 34 years, was inducted into the Amateur Boxing Hall of Fame.

Bob Mee

Joe Elsie Martin, police officer and amateur boxing coach: born 1916; married (one son); died Louisville, Kentucky 18 September 1996.



Caring: Martin coaches young Tanzanians Photograph: Hulton Getty

### BIRTHS

LYNCE: Michael and Joanna (nee Waterfield) proudly announce the arrival of a beautiful son, Patrick James, on 18 September 1996, at Glasgow Royal Maternity Hospital, Rottenrow.

### DEATHS

TURCAN: Patrick Watson, much loved husband of the late Barbara Turcan and father of Johnann, peacefully at home on 20 September 1996. Service of thanksgiving at Abdie and Dunbog Parish Church at 11.30am on Thursday 26 September. No flowers but donations, if desired, to St Columba's Hospice, Challenger Lodge, Boswell Road, Edinburgh. EH5 3RW.

Announcements for Gazette BIRTHS, MARRIAGES & DEATHS (Births, Adoptions, Marriages, Deaths, Memorial services, Wedding anniversaries, In

### Births, Marriages & Deaths

Memorials should be sent in writing to the Gazette Editor, The Independent, 1 Canada Square, Canary Wharf, London E14 5DL, telephoned on 0171-293 2011 (24-hour answering machine 0171-293 2012) or faxed to 0171-293 2010, and are charged at £6.50 a line (VAT extra). OTHER Gazette announcements (weddings, funerals, forthcoming marriages, Marriages) must be submitted in writing (or faxed) and are charged at £10 a line, VAT extra. They should be accompanied by a daytime telephone number.

### BIRTHDAYS

Mr Toby Baiding, racehorse trainer, 60; Mr Ray Charles, rhythm and blues singer, 66; Miss Charlotte Cory, novelist, 40; Baroness David, former government Whip, 85; Sir Basil Feldman, chairman, Better Business Opportunities, 70; Mr James Guinness, former deputy chairman, Guinness Peat, 72; Mr Julio Iglesias, musician, 53; Mr Richard Lambert, Editor, *Financial Times*, 52; Sir Gordon Linacre, president, Yorkshire Post Newspapers, 76; Dr Brian Lloyd, chairman of directors, Royal National Theatre, 50; The Right Rev Michael Manktelow, former Bishop of Bathurst, 69; Mr Larry Mize, golfer, 38; Mr Mickey Rooney, film actor,

76; Mr Bruce Springsteen, singer and songwriter, 47; Mr Jeff Squire, rugby footballer, 45; Admiral Sir John Treacher, 72; Mr John Wilkinson, MBE, 56; Mr Nicholas Widdell, television news presenter, 43.

### Anniversaries

Births: Euripides, Greek playwright, 480 BC; Gaius Octavius, Augustus Caesar, first Roman Emperor, 63 BC; Jeremy Collier, clergyman and historian, 1650; Ferdinand VI, King of Spain, 1713; Peter von Cornelius, painter, 1783; Karl Theodor Kommer, poet, playwright and patriot, 1791; Charles-Léon François Kuntz, critic and composer, 1817; Arnold Hippolyte Louis Fizeau, physicist, 1819; Leopold Alexander Zellner,

composer, editor and author, 1823; William Archer, dramatic critic and playwright, 1836; Mary Elizabeth Coleridge, novelist and poet, 1861; Emma Magdalena Rosalia Marie Josepha Barbara, Baroness Rosalia, novelist, 1865; John, Baron Boyd Orr, nutritionist, 1880; Walter Lippman, journalist and author, 1889; Paul Delvaux, painter, 1897. Deaths: Nicholas-François Mansart, architect, 1666; Robert Dodsley, poet, publisher and bookseller, founder of the *Annual Register*, 1764; Richard Parkes Bonington, landscape painter, 1828; Prosper Merimee, novelist, 1870; Urbain Jean-Joseph Leveillé, astronomer, 1877; Thomas Webster, figure painter, 1886; William Wilkie Collins, novelist, 1889; Eliza Cook, poet, 1889; Ivar Andreas Aasen,

philologist, 1896; Julius Adam, painter, 1913; John Morley, first Viscount Morley, statesman, 1923; Sigmund Freud, psychoanalyst, 1939; Eleanor Glynn, novelist, 1943; Pablo Neruda (Neftali Ricardo Reyes), Chilean poet, 1973. On this day: The Greeks defeated the Persians at the Battle of Salamis, 480 BC; the Lancastrians were defeated by the Yorkists at Bloreheath, 1459; the Battle of Worcester was won by Prince Rupert, 1642; Montrose was defeated by David Leslie at the Battle of Philiphaugh, 1645; the British under Wellesley defeated Scindia and the Rajah of Berar at Assaye, 1803; the *New York Daily Sun* newspaper appeared for the first time, 1833; Johann Gottfried Galle discovered the planet Neptune, 1846; two awards for

gallantry: the George Cross and the George Medal, were instituted, 1940; General Juan Peron was re-elected as president of Argentina, 1973. Today is the Yom Kippur (the Day of Atonement) and the Feast Day of Adamnan or Euman of Iona and Saints Andrew, John, Peter and Antony.

### C. d'O. Gowan

A service of thanksgiving for the life of Christopher Gowan will be held on Friday 1st November in Elton College Chapel at 2.45pm. All are welcome.

### Lectures

Exeter University: Dr George A.

Wilkins, "The Discovery of Neptune and Other Planets, 1846-1996", 5.15pm. Victoria and Albert Museum: Sudeshna Guha, "The British Part in India 17", 2.30pm.

ROYAL ENGAGEMENTS The Princess Royal, President, Animal Health Trust, opens the new and equipped quarry for John Fyfe plc, Dunhill, Lararstree.

Changing of the Guard The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards, 11am; Nijmegen City Grenadier Guards mounts the Queen's Guard at Buckingham Palace, 11am band provided by the Grenadier

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# business

THE INDEPENDENT • Monday 23 September 1996

BUSINESS NEWS DESK: tel 0171-293 2636 fax 0171-293 2098

Stock market week/ shares

Bill Martin: A tale of two parties

CITY & BUSINESS EDITOR: JEREMY WARNER

## Tour operators agree on package to escape MMC

TOM STEVENSON  
City Editor

The Office of Fair Trading is close to agreeing concessions from Britain's leading package tour operators that should allow them to escape a Monopolies and Mergers Commission reference into the holiday industry.

Both Airtours and Thomson are understood to be prepared to sanction changes to the way they operate their travel agent

subsidiaries in order to avoid a further probe. According to a source involved in the case, the OFT may be ready to issue its report by the end of this week or early next week.

It will be the second time in two years the Government has looked into the issues surrounding the "vertical integration" of the holiday business. The probe follows concerns over the ownership of leading chains of travel agents by the package tour operators that

supply them with many of the holidays they sell.

In August 1994, the OFT concluded that there was vigorous competition between companies, and a wide range of packages available, but it warned the industry that customers should be given impartial advice.

Last year the OFT made a commitment to follow up its 1994 investigation to see if the major companies had made the required efforts to inform customers of the links between

the companies that sold and those that supplied the holidays they were buying. It said it would check to see if consumer choice was being restricted by "directional selling" of one tour operator's product to the exclusion of other holidays.

The OFT will focus on the practice of requiring customers to buy expensive insurance policies in order to qualify for discounts on package holidays, reductions that smaller travel agents cannot afford to match.

The OFT will also look at bonus payments to counter staff to encourage them to sell in-house holidays, and the ownership link between the tour operators and travel agents.

Lunn Poly, which has about 800 shops and accounts for a quarter of the retail trade, is owned by Thomson, which sells 30 per cent of the UK's annual 8.5 million package holidays. The 700-strong Going Places chain is owned by Airtours. Also of concern to the OFT

is the power of large agents to demand higher rates of commission from outside tour operators in return for putting their brochures on shelves. Frequently, the absence of an agreement is used as the pretext for not putting a rival operator's brochures on the shelves.

Earlier this year First Choice, the third-largest tour operator, was in dispute with Lunn Poly for four months, during which time its brochures were excluded from Lunn Poly's shops.

Both Airtours and Thomson are known to be extremely keen to avoid an MMC investigation. Thomson is owned by the Thomson Organisation of Canada which, as part of a drive to focus on its electronic information services, sold its UK newspaper interests recently and is understood to be looking at its options with regard to the holiday interests. A reference would complicate any sale or flotation.

The issue of the OFT's report

comes at the end of a volatile summer for the holiday companies. Last month Airtours said the better alignment of supply and demand this summer meant it would scrap its brochures in order to increase prices on late-bookings.

Sources in the industry say the announcement backfired because customers put off buying the more expensive holidays and they had to be reduced again to prices below those prevailing before the increase.

## Lloyd's pays £400,000 for hard work

NIC CICUTTI

Lloyd's of London yesterday defended the decision to award a £400,000 bonus to its chairman, David Rowland, claiming the money was in recognition of his efforts to push through the insurance market's £3.2bn reconstruction package.

The award, agreed last week by Lloyd's appointments and compensation committee, comes on top of Mr Rowland's £450,000 salary package.

His bonus is one of several to be made to senior executives. Ron Sandler, chief executive at Lloyd's since the resignation of Peter Middleton last year, will receive £100,000 in addition to his £250,000 salary. Both awards will be paid by the market's central funds.

The payments come as Lloyd's names face a £1.3bn cash call following a decision this month to accept the reconstruction package painstakingly negotiated over a two-year period.

Lloyd's is still chasing about 1,850 names who have not yet signed up to its rescue plan and

owe about £500m to the market. Plans to collect the money include the potential seizure of homes, possessions and bank accounts.

One name, who refused to be identified, said yesterday: "I think this is a disgrace. I have been nearly driven to suicide by continuing financial demands on me over the past few years. My family and I have lost almost all I have worked for in the past 30 years and this man, who is already massively paid, is given this huge amount of money. I just don't know how they can get away with this."

However, a spokesman for Lloyd's said: "David Rowland was appointed chairman in 1993 and since that time he waived his right to any salary increase or bonus. In the past three years he has worked tremendously hard to put together the package needed to rescue Lloyd's. In all that time, he said he did not want to take anything out. This is not a decision he requested in any way."

It is understood that Mr Rowland's bonus package was agreed by the committee in recognition of his efforts. The committee includes Michael Deeny who was the chairman of Gooda Walker, which successfully fought Lloyd's for compensation on behalf of its members, before he joined the insurer's ruling council.

Mr Deeny is believed to be receiving a fee from the action group worth about £500,000 in recognition of his own efforts.

However, the spokesman said Mr Deeny and other leaders of action groups were not being rewarded by Lloyd's itself. Several leaders had "success fees" written into contracts agreed with their own action groups.



David Rowland: 'He has worked tremendously hard'



Goodwill turns sour: Richard Giordano, chairman of British Gas, offered £300,000 to the GCC

Photograph: Stuart Harrison/ News Team

## 'Whitehall farce' blocks gas funding

CHRIS GODSMARK

Thousands of complaints about British Gas are going unanswered because the Government has blocked extra funding offered by the company to enable the Gas Consumers Council to employ more staff.

The council's director, Ian Powe, warned of a crisis after it closed its London headquarters temporarily last week to cope with an accumulated mountain of complaints. He said that 400 unanswered calls were logged in three hours.

In May, Richard Giordano, the chairman of British Gas, offered to pay the Gas Consumers Council (GCC) £300,000 as a "goodwill gesture" to fund another call centre and seven extra advisers after complaints about the company soared. But the Department of Trade and Industry blocked the cash injection on the grounds that the GCC's funding rules prevented direct payments from British Gas.

Under the present regime, the council, a statutory body set up to represent consumers after

British Gas privatisation, gets its funding from the DTI. The money, most of which comes from British Gas, is raised by a levy on all licensed gas supply firms from the industry watchdog, Ofgas.

A DTI spokeswoman admitted technicalities in the legislation, which ministers had never envisaged, meant the extra funds could not be passed on. "If this payment was made it would appear as if it was a regular contribution rather than just a one-off. We are looking at the situation," she said.

Mr Powe met with the Consumer Affairs Minister, John Taylor, last week, but no solution has been found. One suggestion is that the GCC could ask Ofgas to change its licence terms and conditions to allow for one-off payments, but the process would require long and complicated consultation with the industry.

"It is Whitehall farce on an epic scale," said Mr Powe. "All those clever folk at the DTI and the Treasury cannot cut the red tape that separates thousands of people who need help

from those who want to give it."

Many of the complaints stem from British Gas's computer billing system, introduced earlier this year, which replaces 60 separate networks in 12 regions at a cost of £150m. The company has admitted it has problems with the system, which the GCC said had resulted in some customers having hundreds of pounds wrongly debited from their bank accounts.

The GCC said the number of complaints it received increased by 170 per cent in July and by 99 per cent in August.

## IMF will sell gold reserves to reduce debt in Third World

DIANE COYLE  
Economics Editor

Plans to reduce the debt burden on the world's poorest countries will be given the formal go-ahead at next week's annual meeting of the International Monetary Fund in Washington.

The proposal to sell a small part of the IMF's gold reserves and reinvest the proceeds was nearly derailed by stubborn German opposition. However, Michel Camdessus, the fund's managing director, announced last week that it would be able to finance its share of the debt relief plan.

Senior officials believe the IMF can use alternative reserves for the next two years, after which it will sell a smaller part of its gold.

The debt relief plan is the culmination of two years of work, with Kenneth Clarke, Chan-

cellor of the Exchequer, due a large part of the credit for putting the issue on the international agenda.

The total reduction in debt payments due from about 20 of the world's poorest countries will be worth about \$5.6bn at present values.

The Germans are thought to have blocked the IMF gold sales proposal because of their fears that the Bundesbank would have come under pressure to sell some of its gold in order to help Germany meet the debt and deficit criteria for the Single European Currency.

Funding for the package will split between the World Bank, the IMF and the Paris Club, the group of national governments which have lent to developing countries. All three have now agreed in principle to the plan.

Poor countries will benefit to varying degrees. Uganda, Cote d'Ivoire, Nicaragua, Ethiopia

and Niger - with fund-approved economic programmes but such a heavy debt burden that they could never hope to escape it - are among the countries likely to qualify.

The relief will mostly take the form of extensions in the term over which they must repay debt or reductions in interest rates. They must also show a record of sticking to economic policies approved by the IMF. A senior UK official admitted the plan did not go far enough, but said: "It provides a mechanism for putting some poor countries in a sustainable position."

Next week's annual IMF and World Bank meeting will also see the formal acceptance of the fund's post-Mexico "arrangement to borrow", the emergency financing to be provided by increasingly important countries such as Korea, Singapore and Malaysia.

Officials also hope for progress on areas such as the coordination of international financial regulation and money laundering.

There will be a preliminary discussion about an issue of Special Drawing Rights, the IMF currency, to members who joined after their last issue in 1981. A disagreement between developing and industrial countries about the terms of an issue of SDRs led to an embarrassing row at the annual meeting two years ago.

The tension in what promises to be an unusually constructive event is likely to come in the meeting of G7 finance ministers. European officials expect the US to call for lower European interest rates.

The US Federal Reserve's policy committee meets on Tuesday. Analysts think there is a good chance it might vote to raise US interest rates.

## End compulsory tenders, says BSA

CHRIS GODSMARK

The association representing leading business services companies has urged an end to the Government's policy of compulsory competitive tendering for local council contracts because it claims many authorities are biased against the private sector.

In evidence to be submitted today to the Nolan inquiry into conduct in local government, the Business Services Association, whose members include Rentokil and caterers Gardner Merchant, will claim some companies operate unofficial blacklists of as many as half the councils in England and Wales.

Local authorities are required by law to put out services such as rubbish collection, catering, cleaning, security and buildings management to competitive tender. The association estimated the total value of the work involved was more

than £10bn. However, the process has been criticised as wasteful and bureaucratic. Some services had been put out to tender two or three times, yet in many cases councils had failed to select private companies to do the work.

The association's director general, Norman Rose, said: "It is time rather more consideration was given to the needs of the council taxpayer and a little less to protecting inefficient local authorities."

He said that in one case a London council had been unable to find a single outside bidder for a service because private sector companies had given up tendering with the authority. "At best some of their practices are misguided and misplaced. At worst they are dishonest, withholding information from bidders and sharing a determination that work will not go outside come what may," Mr Rose said.

## Smugglers evade £750m in taxes

NIC CICUTTI

Smuggling of alcohol and tobacco into the UK is costing the Exchequer more than £750m in lost taxes each year, at least 50 per cent more than earlier estimates, according to a survey from HM Customs & Excise.

UK brewers claimed yesterday that the figures, which contrast with earlier estimates of about £500m, vindicated their long-running warning about the damage to their industry caused by smuggling.

A spokesman from Whitebread said: "The announcement by Customs & Excise comprehensively endorses [our] argument."

"Since restrictions on cross-channel imports were lifted in January 1993, illegal beer sales are growing at an accelerated rate year-on-year. The most logical conclusion would be to reduce excise duty by around 50 per cent."

However, a Customs & Excise spokesman said that, while large, the amount evaded still represented less than 5 per cent of the £18.6bn annual excise duty and VAT collected on alcohol and tobacco.

Customs believes that while the revenue evaded by smuggling is £770m, the actual loss will be less because a considerable part of this amount is additional consumption. It is unlikely that equivalent amounts would be bought in the UK otherwise.

Phillip Oppenheim, the Customs Minister, pledged additional resources to plug the gaps in cross-border smuggling. Almost 300 staff are now employed to combat smuggling from Europe.

The biggest source of evasion, Customs investigators estimate, is hand-rolling tobacco, which costs the taxman £425m a year.

STOCK MARKETS									
FTSE 100									
Index	Close	Week's chg	Change (%)	1996 High	1996 Low	Vol (m)	Open	High	Low
FTSE 100	3964.10	-3.8	-0.1	3977.20	3632.30	3.93			
FTSE 250	4426.20	-25.1	-0.6	4566.60	4015.30	3.44			
FTSE 350	1977.40	-3.9	-0.2	1985.80	1816.90	3.82			
FT Small Cap	2188.47	+3.3	+0.2	2244.36	1954.06	3.04			
FT All Share	1953.44	-3.3	-0.2	1967.01	1781.95	3.77			
New York	5888.46	+49.9	+0.9	5889.20	5032.94	2.17			
Tokyo	21112.24	+269.6	+1.3	22066.80	19734.70	0.751			
Hong Kong	11892.36	+223.3	+2.0	11821.61	10294.67	3.487			
Frankfurt	2646.63	+60.7	+2.0	2646.63	2253.36	1.761			

INTEREST RATES									
UK interest rates									
Index	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
UK	5.75	6.13	7.78	7.99	7.81	8.08			
US	5.38	5.19	6.82	6.23	7.06	6.58			
Japan	0.50	0.93	2.85	2.65					
Germany	3.03	3.25	6.15	6.57	6.94				
Money Market Rates									
Index	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
UK	5.75	6.13	7.78	7.99	7.81	8.08			
US	5.38	5.19	6.82	6.23	7.06	6.58			
Japan	0.50	0.93	2.85	2.65					
Germany	3.03	3.25	6.15	6.57	6.94				
Bond Yields									
Index	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
UK	5.75	6.13	7.78	7.99	7.81	8.08			
US	5.38	5.19	6.82	6.23	7.06	6.58			
Japan	0.50	0.93	2.85	2.65					
Germany	3.03	3.25	6.15	6.57	6.94				
MAIN PRICE CHANGES									
Index	1 Month	3 Month	6 Month	1 Year	2 Year	3 Year	5 Year	10 Year	30 Year
UK	5.75	6.13	7.78	7.99	7.81	8.08			
US	5.38	5.19	6.82	6.23	7.06	6.58			
Japan	0.50	0.93	2.85	2.65					
Germany	3.03	3.25	6.15	6.57	6.94				

CURRENCIES									
\$/£									
Index	Close	Week's chg	Tr 12	Tr 3	Tr 6	Tr 12	Tr 3	Tr 6	Tr 12
\$ (London)	1.5558	+0.0126	1.5790						
\$ (New York)	1.5558	+0.0126	1.5790						
DM (London)	2.3558	+0.0040	2.3602						
¥ (London)	70.7427	+1.645	156.506						
£ Index	86.1	-0.1	84.5						
\$/DM									
Index	Close	Week's chg	Tr 12	Tr 3	Tr 6	Tr 12	Tr 3	Tr 6	Tr 12
\$ (London)	0.6430	-0.03	0.6345						
\$ (New York)	0.6430	-0.03	0.6345						
DM (London)	1.5148	+0.256	1.4175						
¥ (London)	109.795	+0.830	98.700						
£ Index	87.1	-0.2	84.2						
\$/¥									
Index	Close	Week's chg	Tr 12	Tr 3	Tr 6	Tr 12	Tr 3	Tr 6	Tr 12
\$ (London)	169.1	+0.1	169.1						
\$ (New York)	169.1	+0.1	169.1						
¥ (London)	169.1	+0.1	169.1						
£ Index	87.1	-0.2	84.2						
OTHER INDICATORS									
Index	Close	Week's chg	Tr 12	Tr 3	Tr 6	Tr 12	Tr 3	Tr 6	Tr 12
Oil Brent \$	22.40	-1.82	16.09						
Gold \$	381.60	-1.60	383.30						
Gold £	244.20	-1.1	244.55						

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# Amended Index Linked Account Rates

Effective from 23rd September 1996. Account no longer open to new investors.

Index Linked Account				
	Minimum Investment	Gross*	Gross CAR**	Net†
1st Issue Quarterly	£1,000	5.10%	5.20%	4.08%
2nd Issue Yearly	£1,000	5.10%	—	4.08%
2nd Issue Monthly	£1,000	4.98%	5.10%	3.98%
3rd Issue Yearly	£1,000	5.10%	—	4.08%
3rd Issue Monthly	£1,000	4.98%	5.10%	3.98%
4th Issue Yearly	£1,000	4.60%	—	3.68%
4th Issue Monthly	£1,000	4.51%	4.60%	3.61%

\*Without UK income tax deducted. \*\*Annual return if monthly interest payments remain in the account. Assuming rate of income tax at 20%. Interest will be payable first at the applicable rate of income tax which may be reduced by non-taxpayers or gross, subject to the required registration. CAR and net rates are illustrative only and have been adjusted to two decimal places. Rates may vary but are correct at the time of going to press. Details of interest rates paid on other accounts are available from any Britannia branch.

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# Strong-pound Labour and weak-pound Tories

BILL MARTIN

'Mr Clarke's plans for borrowing promise salvation. But they are based on a wholly implausible assumption of public spending control, a *deus ex machina* which drives a large wedge between projected spending growth and the assumed growth of GDP. Miracles of that sort do not happen.'

Tony Blair is breaking with old conventions in more ways than he imagines. If he wins the next election, Labour's economic policies may unwittingly cause a marked overvaluation of the pound in the early years of office, damaging Britain's industrial base. Conversely, if Kenneth Clarke's pre-election binge helps secure a Conservative victory, the pound may well fall, inflicting an inflationary blow.

These topsy-turvy outcomes are not cast in stone. Never the less, the story of strong-pound Labour and weak-pound Tories is possessed of a compelling logic.

Consider, first, the likely economic legacy next spring, the most probable date of the election. The economy may well be suffering two forms of imbalance. The Conservatives' pre-election bid for growth may have left a monetary excess. Even more problematic, the government would be faced with an outsized structural budget deficit.

The extent of the monetary problem depends on several things: the growth of broad money supply, the pace of increase in house prices – a major influence on household thrift – and Mr Clarke's willingness to raise interest rates ahead of the election. On every count, there are reasons for concern.

Banks' balance sheets are strong, giving a natural uplift to money creation. The build-up of excess money deposits held by households is feeding a mini-boom in the housing market, with prices advancing running ahead of mainstream forecasts. Windfall cash sums received from conversions and mergers of building societies might further support consumer demand. And while Mr Clarke might

sanction a small rise in base rates, monetary policy is likely to stay permissive.

The risk, then, is of economic growth running to 4 per cent or more next year, with consumer demand rising by 5 or 6 per cent – well into overheating territory. Ironically, a boom of this sort, generative of lots of tax revenue, could create the impression that the budget deficit was coming under control. Mr Clarke might then be tempted to stoke the fire by granting bigger tax cuts this November.

But even without the pre-election relaxation, Britain's structural deficit is already too large. Two long-term developments are to blame: the Conservatives' failure to control public spending and, in the 1980s, their over-generous tax reductions. Since 1979, public spending in real terms has grown at an average rate of 3.75 per cent a year – only fractionally below the growth of the gross domestic product. So much for rolling back the state. As this was compounded in the 1980s by excessive tax reductions. Despite the huge stagged increases announced in 1993, tax measures taken since 1979 have directly enlarged the budget deficit by over 2 per cent of GDP.

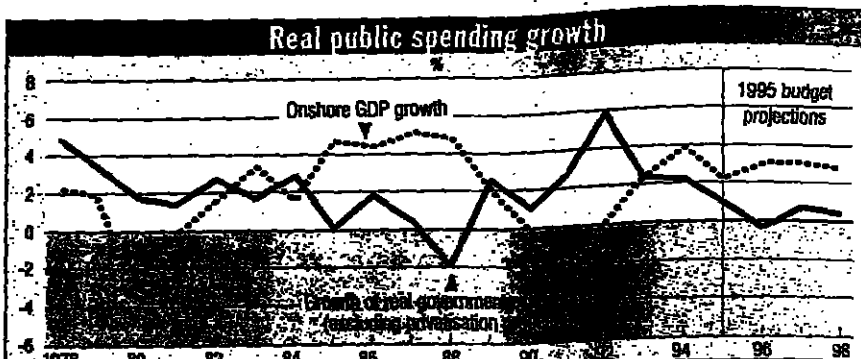
Mr Clarke would like us to believe he has stashed the haemorrhage. His plans for borrowing promise salvation. But they are based upon a wholly implausible assumption of public spending control, a *deus ex machina* which drives a large, sustained wedge between projected spending growth and the assumed growth of GDP. Miracles of that sort do not happen. The greater likelihood is that the structural budget deficit would run between 4 and 5 per cent of GDP without radical changes in spending programmes or hikes in taxation.

How would a Labour government respond to these challenges? Mr Blair plans to raise the country's rate of saving and investment in the hope of securing a higher trend rate of growth. But in office, the long-term vision would be severely challenged by the acute pressures of day-to-day government.

After so long in opposition, expectations would be running high. Yet the economy would be unbalanced and in need of tough treatment. A collision between Great Expectations and Hard Times would provide fertile ground for policy mistakes. Would Labour immediately seek to tackle the inherited budget imbalance? It seems unlikely. A strong cyclical recovery or an over-optimistic assumption about trend growth may temporarily disguise the severity of the problem. But the choices facing the new chancellor would be unpalatable.

Take public spending. Labour wishes to raise the level of public sector investment, directly or in partnership with the private sector. That ambition would put even more onus on the control of current expenditure – a goal which has thoroughly eluded the present government. Meanwhile, public-sector workers, squeezed by the Conservatives and potential beneficiaries of a minimum wage, would be near the front of the queue demanding their New Deal.

Or take taxation. It seems improbable that Labour would immediately blight their chances of a second term by repeating the Conservatives' tax-policy reversal of 1993. In so far as he has any explicit plans, the shadow chancellor, Gordon Brown's ambitions err towards lower taxes for the majority of taxpayers. He might consider raising the corporate sector directly (by raising corporation tax) or indirectly (by



reducing the imputation rate for dividend tax credits). But this would only raise the cost of capital, reducing business's incentive to invest.

A new Labour government's ability to tackle the budget deficit would therefore be highly constrained. A remaining Conservative administration, on the other hand, would be somewhat less shackled simply because much less would be expected of it.

The reverse tendencies apply in the case of monetary policy. Faced with potential overheating, any incumbent chancellor would have to raise base rates. But Mr Brown would be in a stronger position. Like Nigel Lawson in 1988 and 1989, Mr Clarke would be unwilling to admit the error of his ways and would probably tighten policy in a dilatory fashion.

Not so Mr Brown, who could happily blame 18 years of Tory misrule for the inconvenience of higher base rates. As important, Mr Blair and Mr Brown have convinced themselves that

price stability would do wonders for Britain's trend rate of growth, for which Mr Brown would have an explicit target.

The scene could therefore be set during the early phase of a Labour government for a period of tight money combined with fundamentally slack fiscal policy. If so, sterling would probably appreciate. The government's need for finance would tend to drive up real interest rates and attract capital as inflationary pressures came under control. By contrast, Mr Clarke's greater reluctance to engage in timely monetary restraint and his concern for manufacturing would be likely to undermine the pound. Contrasting party attitudes to membership of EMU merely reinforce these conclusions.

Service-sector employees might therefore wish to vote Labour at the next election while job-challenged industrial workers vote Conservative. I think I shall avoid either temptation.

Bill Martin is chief economist at UBS

## City and industry deadlocked over fees

PETER RODGERS  
Financial Editor

An attempt by industry and the City to agree joint proposals to reduce the costs of rights issues and fight off a Government inquiry is foundering, despite substantial concessions offered by big investment institutions.

The institutions are trying to head off tough criticisms by the Office of Fair Trading, which may recommend a reference of City fees to the Monopolies and Mergers Commission.

As part of the campaign, pension fund and insurance industry representatives on a CBI working group have offered to encourage a move by merchant banks to reduce sub-underwriting fees, a lucrative source of income for the institutions.

They have also said they will back companies that decide to cut their dividends when they make rights issues, which would further reduce the cost of new capital.

Because rights issues are sold at a discount, the normal practice of maintaining the dividend actually increases the cash distribution to shareholders, raising the cost of capital. This has led to sharp criticisms of conventional underwritten rights issues, especially by US investment banks.

Despite the concessions, senior City and industry representatives in the working group – which includes John Mayo, finance director of Zeneca – are believed to have reached deadlock following a dispute over the closely related question of pre-emption rights. These give existing shareholders first call on new shares in a rights issue.

Industry representatives have been pressing for an increase in the level at which companies can issue new shares without permission from shareholders, from the current 5 per cent to at least 15 per cent.

The industry side believes a higher ceiling would reduce

the cost of capital to companies, but institutions deny this claim. Institutional sources believe that a compromise proposal, under which the pre-emption rights ceiling would be raised but a formula introduced to protect shareholders by controlling the discount on the rights issue is likely to be completely unworkable.

The National Association of Pension Funds and the Association of British Insurers, whose director general is Mark Boleat, have a total of four representatives on the CBI group, which is an offshoot of the employers' companies committee.

The institutions' willingness to consider lower fees emerged after a meeting between the NAPE, the ABI and the London Investment Bankers Association, which represents the bankers who organise rights issues.

The bankers told the ABI and the NAFF that members planned to introduce increasing



Mark Boleat of the ABI: The trade body has told members to expect offers of lower fees for sub-underwriting

flexibility into the flat fees of 1.25 per cent charged for sub-underwriting, regardless of the size of company or the amount of cash raised. The ABI has now told members to expect offers of lower fees.

Suggestions by investment banks include the introduction of tender offers for sub-un-

derwriting so there would be competition on fees, and lower rates of commission than 1.25 per cent for parts of an issue.

The ABI has also pressed members to encourage finance directors to consider whether underwriting can be dropped for certain issues.

## Watchdog forces BT to postpone price cuts

CHRIS GODSMARK  
Business Correspondent

The telephone watchdog, Ofcom, is to issue an order this week forcing BT to postpone plans to slash the price of its high-speed digital communications services after rivals claimed the cuts were anti-competitive.

However, the company yesterday insisted it would go through with the price reductions, due to start from today, threatening further confrontation with the regulator, Don Cruickshank. A BT spokeswoman explained: "The cuts will have to go ahead from midnight on Sunday night because we physically can't stop them."

BT said it was "surprised and perplexed" by the announcement from Ofcom, which was made in a letter from Mr Cruickshank, received at 6pm on Friday.

The company questioned why it had taken the regulator so long to ask for the price

regime to be postponed. The new charges have already been advertised and some customers have been signed up on the basis that the price structure would change.

The price cuts were announced on 21 August, allowing a month for industry consultation. They reduce the initial ISDN connection charge for small businesses from £400 to £199, but raise annual line rental from £336 to £520. In addition, customers would get a "bundle" of free calls worth £90 in the first two years and £210 in following years.

Ofcom had previously been concerned that the high cost of BT's digital ISDN systems, which allow extra services such as videotelephony to run down ordinary phone lines, was preventing a greater take-up by small and medium-sized companies.

But last night an Ofcom spokesman confirmed that other operators had claimed the cuts were anti-competitive. The

formal order requiring BT to postpone the reductions will be issued today or tomorrow.

The complaints came from rivals such as Mercury, which accesses smaller customers using BT's local telephone network and a special button on the handset. Cable TV companies are also increasingly trying to gain a foothold in the lucrative ISDN market.

They had argued that a higher rental charge with cheaper calls risked pricing alternative suppliers out of the market. Indirect access operators make their profit on the call charges, not the connection fees.

Mercury also feared that BT could move to a similar pricing policy for ordinary business phone calls when such services are excluded from price controls from August 1997.

If the cuts are cancelled completely, BT could face claims from new customers who have signed contracts based on the advertised reductions.

### IN BRIEF

- Spending with payment cards broke through the £7bn barrier in August, up 27 per cent on the same month last year, according to figures from the Credit Card Research Group. Debit card spending rose 37 per cent to £3bn, while credit card use was up 21 per cent to £4bn. However, CCRG said the heavy increase was partly caused by lower-than-expected card use in August last year. The highest growth in card use, up 41 per cent, was seen in the mixed business sector, including department stores and mail order firms. Sales of food and drink with debit or credit cards remained flat.
- Lloyds TSB Group may become one of the first British companies to face a legal challenge to set up a European Works Council following the passing of yesterday's deadline from the European Union for voluntary agreements to establish such bodies, the banking staff union BIFU claimed. The challenge, from the white collar union affiliate organisation FIET, aims to bring Lloyds TSB into line with Barclays, Midland and NatWest banks. FIET said yesterday the challenge was likely to come from an affiliated union in Spain or Germany.
- Lafins Road, the company which owns Queens Park Rangers, the First Division football team, and Wasps Rugby Football Club, is to seek a listing on AIM, and intends to raise up to £25m to exploit further the commercial opportunities available from the ownership of its 19,000-seat London stadium. The nominated adviser and broker to the issue is Peel, Hunt & Company. QPR was relegated from the Premier Division last season.
- The Italian government has postponed a long-awaited national conference on unemployment, originally scheduled for later this week, after failing to strike an agreement with unions and employers on new labour contracts. The delay gives Prime Minister Romano Prodi's centre-left administration more time to work on the 1997 budget, which is expected to be presented on Friday. Carlo Azeglio Ciampi, the Treasury Minister, wants to introduce a tough package, including cuts to health and pensions spending, to prepare Italy for the launch of the single European currency in 1999.
- Flexible labour markets are essential to maintain the UK's competitiveness and to encourage job creation, the Institute of Directors has claimed in a research paper. The IoD argued that further European social employment legislation would only impose burdens on British employers, restricting work that imposing the new Working Time Directive, while the Social Chapter opt-out should remain in place. The IoD also claimed a national minimum wage would lead to loss of jobs.
- A consortium led by NatWest Ventures has emerged as one of the favourite bidders for Pubmaster, the 1,600-strong pub chain owned by Brent Walker. The potential deal, worth about £165m, is being backed by Prudential Ventures, HSBC Holdings and Bank of Scotland, against rival bids from Barings Capital and CVC.
- Sainsbury, the supermarket chain, is believed to be considering adding a savings scheme to its Reward Card. The move, imitating its rival Tesco, is aimed at boosting sales and loyalty from its 8.7 million weekly customers.

## PowerGen to sign up two RECs

MICHAEL HARRISON

PowerGen, the smallest of the three privatised electricity generators, is close to reaching agreements with two regional electricity companies to supply most of their needs when the market is opened to full competition in 1998.

The generator has signed heads of agreement with the two RECs and hopes to seal three-to-five-year supply contracts early next year. In total, PowerGen is looking to sign up about five of the 12 RECs on to long-term deals.

At present, most of the electricity supplied to the RECs comes through the coal-based contracts the generators signed with British Coal at the time of privatisation. These contracts, now largely taken over by RJB Mining, require the generators to buy 30 million tonnes of UK coal a year. RECs are then obliged to take the power generated from the coal to meet domestic demand in their areas. The contracts expire in April 1998.

Currently about three-quarters of PowerGen's output goes to the RECs, with the remaining quarter sold direct to large industrial and commercial customers. However, by the end of the decade, PowerGen expects that up to half the electricity it generates will be sold direct rather than through the franchise market.

Following the Government's decision to block PowerGen's takeover of Midlands Electricity, the generator has been working on a new strategy in readiness to compete in the domestic market from 1998.

Apart from the long-term contracts with individual RECs, it is considering marketing alliances with RECs and partnerships with new entrants. Last week National Power, its larger rival, forecast prices would drop significantly when the coal-backed contracts ended and the domestic electricity market was

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1000	£15.00	90 minutes	25p	£15.00
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## science

## Clocking on to 'miracle' drug

John Emsley discusses the hyped but versatile melatonin molecule

A report last week by the Institute of Management shows many executives to be overworked, under stress, and suffering symptoms such as insomnia. A growing number are looking to melatonin to help them sleep, or cope with jet lag. Companies who make the drug report record demand.

Melatonin (chemical name: N-acetyl 5-methoxy-tryptamine) is a hormone produced by the pineal gland, a pea-sized organ at the centre of the brain. It regulates sleep by releasing melatonin molecules at night, in response to changes in light entering the eye. Levels of this chemical in the bloodstream peak in the small hours at around 80 parts per billion (ppb), and then decline slowly, falling sharply at dawn to 10 ppb. As we reach old age, our ability to produce melatonin decreases.

A 3 milligram capsule of melatonin is enough to raise the blood level quickly, and send you off to sleep in about five minutes. It can be bought from health food shops, although the Committee on the Safety of Medicines has now banned its sale as a non-prescription drug. The European Pineal Society

A more scholarly work is *Melatonin and the mammalian pineal gland* by Josephine Arendt of the University of Surrey, who has researched the effects of melatonin on human biological rhythms, and developed sophisticated methods of measuring the chemicals in the body.

Meanwhile, in the Department of Anatomy at Cambridge University, Dr Mike Hastings and Professor Francis Ebling are carrying out research into how melatonin controls the body's internal clock. "We have discovered that the brain has two mechanisms related to time," says Dr Hastings. "One regulates the daily, or circadian, rhythm of our lives, the other controls our response to seasonal changes. Both are sensitive to melatonin at the very low concentrations found naturally." The body clock is located in the hypothalamus, the body calendar in the nearby pituitary gland.

Melatonin can be manufactured easily, and when pure is pale yellow, with leaf-like crystals which melt at 117°C. The pineal gland synthesises it from serotonin, the brain chemical that regulates mood, and this in turn is made from the essential amino acid tryptophan. They are all derivatives of indole, a simple molecule which has two rings of atoms closely joined together: one with six carbon atoms, the other with four carbons and a nitrogen.

The dermatologist Aaron Lerner discovered melatonin in 1958. He reported that in frogs it caused dramatic changes to the colour of skin cells known as melanophores, and consequently named it melatonin. Since then it has been found to occur in organisms ranging from single cell algae to mammals. In humans it helps us to adjust our sleep patterns to the daily rotation of the planet and its annual cycle round the sun, and also controls our body temperature, reducing it slightly during the hours of sleep. In sheep and deer, melatonin signals the breeding season, while in other animals it causes moulting.

There are proper uses for melatonin; in helping those who frequently travel across time-zones, or suffer abrupt changes in sleeping patterns due to shift work. Melatonin has also been used to treat children suffering from disturbed sleep patterns. Allowing over-stressed managers to get a good night's sleep may also be another legitimate use.

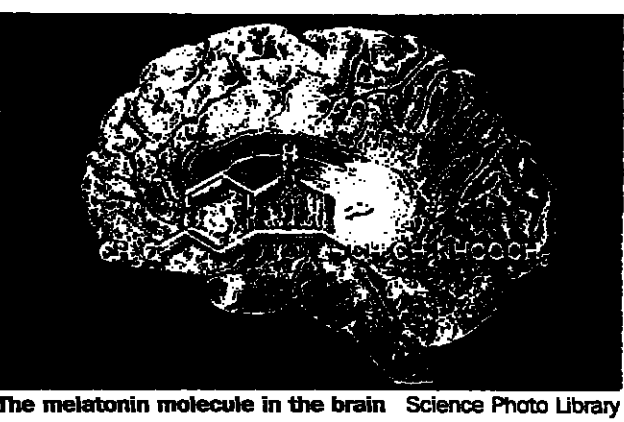
Dr John Emsley is science writer in residence at Imperial College, London.

## Molecule of the Month

ety, while admitting that melatonin is useful in treating sleep disorders, has issued a warning: "There is insufficient scientific evidence for... therapeutic uses in humans. There is no information on possible harmful long-term side effects. Melatonin may be dangerous if its consumption is incorrectly timed and should not be taken without medical supervision."

In the US it is being touted as a cure-all, with claims that it can ward off cancer, heart disease, Alzheimer's disease, cataracts, AIDS, depression and old age. Melatonin mania has been fuelled by best sellers such as *The Melatonin Miracle* by Walter Pierpaoli and William Regelson, who say it prevents ageing, and *Melatonin: your body's natural wonder drug* by Russel Reiter and Jo Robinson, who claim it can counter cell damage caused by free radicals.

There is as yet no convincing support for either theory, but that has not slowed demand, and in some American states melatonin now outsells aspirin.



The melatonin molecule in the brain. Science Photo Library



There has been concern that anti-parasite drugs given to cattle would kill the worms and insects that degrade their dung

Photograph: Peter Macdiarmid

## Relief among the cowpats

New drugs used to treat parasites are not causing the feared carnage in the pastures. By Malcolm Smith

While the worries have mounted in the past six months about the products made from cows that humans consume — beef, sausages, even wine gums and lipstick — there has at least been some relief for conservationists over the cow products that even cows don't have a use for. That is, cowpats.

Only a few years ago, some worried that the modern drugs used by farmers to treat internal parasites in cattle would kill off the insects and worms that normally degrade the nutrient-laced dung that is the visible end product of a cow's extended rumination. There were fears that this would lead to a decline in the number of pasture birds that feed on these dung insects, and of earthworms, which congregate beneath the cowpats; and also that fields would be knee-deep in smelly, undegraded manure. Fortunately, it hasn't happened.

The cause of the initial worry was a new group of anti-parasite drugs called avermectins, which were introduced in 1981. Of these, ivermectin is regarded as the most effective. For cattle farmers they were revolutionary. Administered by injection or by mouth as a capsule that lodges in the rumen and releases its contents over a number of months, they kill both internal and skin parasites. Before avermectins, farmers had to inject a series of drugs

to kill off a range of parasites which otherwise reduced the efficiency with which cows convert grass to body protein.

However, the drugs are not completely broken down by the body before they are excreted. They can still be present in the dung at a concentration which, while low, can kill or disrupt the development of a wide range of insects and other dung-degrading invertebrates. In experiments quoted by Dr Paul Green of the British Trust for Ornithology, half of the larvae of the common yellow dung fly died when exposed to just 0.05 parts of ivermectin per million. Lower concentrations caused major disruption to the fly's life cycle. Cattle dung from bolus-administered cattle contains 10 times this concentration of the drug.

But once in the pats, avermectins do break down. Research by Les Strong and Richard Wall of Bristol University shows that beetle larvae were unable to develop in dung from ivermectin-injected cattle seven days after treatment, but that they could 14 days after a dose. Cattle treated with moxidectin (another, less effective, avermectin) produced cowpats that were colonised as rapidly as drug-free dung.

Not all cattle are treated with avermectins anyway. "It's only worth treating young calves," says Bert Burns of MSD Agvet, manufacturers of avermectins. "Older cows develop natural immunity to most parasites. On a typical

dairy farm there are perhaps five generations of cows, and it's only those of the youngest generation kept for future milking that are treated. So more than 90 per cent of the dung will be ivermectin-free."

Most cattle are injected. Boluses are used to treat only about 3 per cent of cattle. Expense is one reason but, according to Mr Burns, the main reason is that the bolus-treated cattle have to be kept on the same pasture all season. This is because parasites picked up by the cattle as they graze are

killed off when they get inside the cow, which slowly renders the pasture parasite-free. Moving them to another pasture would expose them to more parasites, and necessitate repeat doses with the boluses as previous ones became exhausted. Not many farmers can provide sufficient grazing for the herd in one place.

"At current levels of use, ivermectin reduces insect populations in about 10 per cent of dung or less," says Dr Green. "It doesn't appear to affect earthworms, one of the main

prey for many birds feeding on pastures."

The drugs may even provide some environmental advantages. Because they kill parasites living on the skin — including warble flies and ticks, for instance — use of the highly toxic organophosphate washes and dips (which have been implicated in some illnesses in farmers) has declined. Dr Green says that since ivermectins were first used to treat sheep scab in 1994, use of organophosphates against the disease has fallen by 20 per cent. The benefit is that, besides the

risks it poses to farmers, dip is often allowed to wash away after use, frequently ending up in streams where it kills animal life.

To date there is no proven effect of ivermectin use on bird populations. Research has shown that insect populations around farms using them do decline, but such declines are local and short-lived: birds are likely to move elsewhere to feed. And you are no more at risk of stepping in a cowpat if you walk across a pasture than you were before these highly effective drugs were introduced.

## Thought for the day

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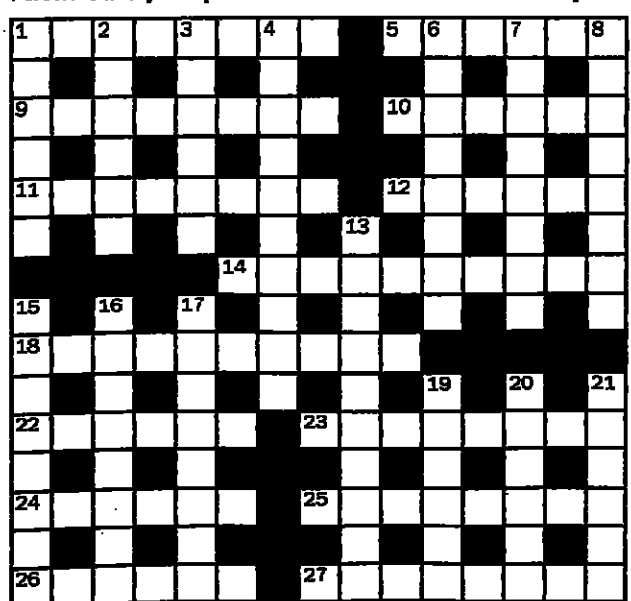
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## THE INDEPENDENT CROSSWORD

No. 3099, Monday 23 September

By Porcia



- ACROSS**
- 1 Bleating about concrete (8)
  - 5 Toy alarm (6)
  - 9 Water equipment I cost out (8)
  - 10 Sounds like a strain to adjust to things (6)
  - 11 Allies are uncertain about a British girl (8)
  - 12 Very nearly total objection raised (3,3)
  - 14 Links coinage to European currency (5,5)
  - 18 Epic legal case works out right (5-5)
  - 22 Rugby players one point behind give up (4,2)
  - 24 Means of gaining office (6)
  - 25 Lack support for bringing in electronic monitor (8)

- DOWN**
- 26 Hundred escape discipline and hurry away (6)
  - 27 Came and took off carrying fruit (8)

- DOWN**
- 1 Never-ending temptation to grab several trifles (6)
  - 2 Isn't possible to enclose monarch's land (6)
  - 3 French painter in a neighbouring restaurant (6)
  - 4 Not much attached to foundation in the Southern USA (6,4)
  - 6 Animal pelt one Australian disposed of (8)
  - 7 Sign of approval from a hitch-hiker? (6,2)
  - 8 Romantic poet's early night (8)
  - 13 Job for an academic community (10)
  - 15 Random strike ended by bribe (8)
  - 16 Biscuit with a quarter of nuts (8)
  - 17 Doctor accepting number's about average (8)
  - 19 Admission to catering course (6)
  - 20 Boastful talk in the sauna? (3,2)
  - 21 Advanced force rush at one (6)

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